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SOUTHEAST ASIA REPORT

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VIETNAM

PARTY ACTIVITIES AND GOVERNMENT

PUBLICATIONS

AFP ROUNDS UP ASIAN REACTION TO JENKINS BILL PASSAGE

HK041059 Hong Kong AFP in English 0959 GMT 4 Dec 85

[Text] Undated, Dec 4 [as received] (AFP)--Asian nations today expressed confidence that U.S. President Ronald Reagan would kill an imports curb bill, but said they feared further protectionist sentiment.

The Philippines said they were looking for alternative markets, and Indonesia predicted disaster in its fast growing industry if the bill survives a presidential veto.

Vincent Siew, director of Taiwan's Board of Foreign Trade, said he expected the President to veto the bill passed yesterday but that this "does not mean protectionism would come to an end."

He predicted that protectionist calls would be the major theme in U.S. politics in coming years.

The bill rolls back textile and apparel imports from Taiwan, Hong Kong, and South Korea by up to 30 per cent and limits the growth of shipments from China, Japan, Pakistan, Philippines, India, Thailand, Indonesia, Singapore and Brazil.

It also puts a lid on shoe imports and calls on the administration to start talks with copper-exporting nations on production quotas.

The House of Representatives approved the bill by 255 votes to 161. It was the same version as one passed 60-39 by the Senate last month.

Yesterday's vote fell short of the two-thirds support it would need to overturn a presidential veto. It also marked a falloff in House support from an earlier version approved in October.

Taiwan has estimated the curbs could cost it about 700 million dollars worth of sales a year and 70,000 jobs, and today said its shoe market would drop 300 million dollars in sales annually.

Mr Siew today said that since Taiwan relied on the United States as its largest market, Taipei should do its best to ease protectionist sentiments "by joining forces with other exporting countries such as South Korea and urging local interest groups to lobby in the U.S. to promote mutual understanding."

In Hong Kong, which today estimated it would lose several hundreds of millions of U.S. dollars, acting Trade Director Paul Wong said: "While we expect the President to veto, it does not mean that protectionist sentiment will disappear."

He said the British colony's lobbyists would continue to be active in Washington to work against the possibility of a vote to override a veto.

Officials in South Korea, which sold about 2.7 billion dollars worth of textiles to the United States last year alone and stands to lose about 800 million dollars in sales, said they were sure of a veto.

But they said they were worried that the Reagan administration would use the Congressional protectionist pressure in current negotiations to get Seoul to open its markets further to U.S. products.

South Korea wants to "go easy and slow" to protect its own fledgling industries, one official said. South Korea last year had a 3.4 billion dollar trade surplus with the United States.

In Manila, Trade and Industry Ministry spokesman Don Reyes said the Philippines would lose more than 300 million dollars next year unless its textile and garment exporters find an alternative market.

Describing the bill as "an obnoxious legislation," he said the Philippines was considering switching its market from the United States to Japan.

The Singapore Trade Development Board today reiterated the stand taken by the Association of Southeast Asian Nations (ASEAN), which described the bill as "discriminatory and contrary to existing international law and U.S. bilateral agreements."

ASEAN said the bill would set back U.S.-ASEAN relations and posed a "grave danger not only to ASEAN but also to the free international trading framework from which all countries jointly benefit."

ASEAN comprises Singapore, the Philippines, Indonesia, Malaysia, Thailand and Brunei.

Indonesian Textile Industry leader Frans Seda said if the bill was not vetoed, "there will be a debacle in Indonesia's textile industry... we will lose some 230,000 jobs, or almost the same number of jobs that the U.S. says are being lost in the textile industry there."

He said Indonesia's annual growth in exports to the United States grew from 35 million dollars in 1980 to 285 million this year.

Thailand today expressed its "deep concern and regret" over the bill, which it said would adversely affect world trade.

/8309
CSO: 4200/340

NEW CALEDONIA

UNIONISTS ARMING AGAINST KANAKS

Sydney THE BULLETIN in English 12 Nov 85 pp 146-148

[Article by Sue Williams: "Urban Guerrillas Armed to the Teeth Against Kanaks"]

[Text] *Investigations by SUE WILLIAMS have uncovered French extremists behind the front line peace advocates in the independence debate in New Caledonia who are prepared for civil war with the Melanesians.*

ON MARCH 5 this year, Australian Federal Police seized a cache of weapons and ammunition worth $40,000 on a property at Guildford, south of Brisbane. The shipment, it was alleged, was to be sent to New Caledonia "to help the farmers defend themselves." Four French nationals from New Caledonia were arrested over the find and while criminal charges were dropped, they are still facing civil action by Australian Customs. The second part of their court case begins on Monday, November 11.

The case has aroused a great deal of sympathy in the French territory where many people are convinced of the need to take up arms and protect themselves against the threats posed by the Kanak Socialist National Liberation Front (FLNKS).

Need for protection has evolved into what amounts to the development of a guerrilla fighting force made up of groups of people from the suburbs of Noumea who are organised and ready to act for what they claim is the defence of their liberty and their rights as citizens.

Just how many people are involved in this network is difficult to say. Two of the chief organisers who allowed me to interview them on the subject remained guarded on the numbers when questioned. However they indicated that it would not be difficult to call out several hundred people in a very short time if necessary.

Such a need obviously arose on the night of Friday, October 25, when more than 200 of these loyalists raided Kanak bars and night clubs in Noumea, routing all the Melanesians. The raid had been planned for some time and was well co-ordinated, with CB radios and walkie-talkies being used to direct the operation.

The police intervened before the confrontation became too violent and they escorted the Melanesians back to their homes in the suburb of Mont Ravel.

However the angered Kanaks back in their stronghold then barricaded the road and began hurling rocks at passing cars. Order was finally restored about 5am but not before some 20 people had been injured and more than 20 others arrested.

The raid by the loyalists had been deliberately mounted "to teach the Kanaks a lesson and show them if they can create fear and use aggression, we can do something as well. It wasn't us who started this, but them. Smashing windows, stoning cars and attacking

people who can't fight back, such as women and the elderly, and frightening people away from their homes in the bush," one of the French loyalist leaders told *The Bulletin*.

The two leaders I spoke to who preferred to remain anonymous claimed that the loyalists were not armed. However the informants say they are well stocked with weapons. The selling of arms in New Caledonia has been banned since the troubles over moves towards independence began last November. But authorities have acknowledged there is an enormous number of fire-arms in the territory. Some 40,000 guns are legally registered and it is estimated that there are as many again, if not more, kept illegally.

With only 145,000 people living in New Caledonia those numbers suggest that more than 50 percent of the population may be armed. And while the front line forces may not openly advocate the use of the weapons there are certainly other cell groups of extremists far more secretive that do. One of these which calls itself the Forces Caledoniennes Libres (FCL) has even put out a document detailing the type of action its members should take to defend their liberty, recommending such things as menacing letters and telephone calls to independence supporters, bombings, arson and the like. It even suggests that the best way of disposing of a body is to feed it to the sharks, not only to prevent the discovery of any clues but to heighten the anguish for those who may be concerned over the fate of the missing victim.

Groups such as this one are certainly in the minority but they are also the most dangerous. They are organised along guerilla band lines, working in small group of three or four members and well-trained in the use of weapons of which they apparently have a good supply. In one police raid which followed the arrest of two men earlier this year, three bombs were discovered along with six rifles and more than 15 automatic pistols. They had enough ammunition to keep them going for a long time. By and large, though, the extremists have managed to avoid the police in Noumea. Since the beginning of this year there have been at least seven bomb attacks on pro independence targets.

In one instance a boarding school for Melanesian children had its front entrance ripped apart by an explosion during the election campaign. The building housing the Land Office and the Office of Development for the Interior and the Islands, both of which are aimed at helping the Kanak people, had its top two floors devastated by a bomb. Police claimed it was the most powerful device yet used in the territory and had been placed by somebody who knew exactly what they were doing. More recently an attempt was made to firebomb the headquarters of the FLNKS in Noumea. The attack came about 2am when some 15 men wearing army fatigues and disguised with motor cycle helmets converged on the two storey house, smashing windows and doors and hurling Molotov cocktails. There has also been a number of confrontations between FLNKS and supporters and Wallesians (Polynesians from Wallis Island) recently. The FLNKS claims the Wallesians are being trained by right-wing forces to be used against them. Wallesian patrols, all to be seen with binoculars, walkie-talkies, batons and guns are protecting French land owners in the bush and one beach resort.

The organisers of the self defence group justify their actions with countless stories of people living on isolated farms being attacked during the night, having their homes burnt, stock killed and lives threatened. They say they have had enough; it's time to flex some muscle.

They feel abandoned by the French government, and cynical about the police support. "People are afraid. They don't go to work for the fear of having their homes destroyed – their families attacked," one of the two leaders said. "They don't sleep at night. We are on the edge of a cliff: we can either jump over or push back." □

/12851
CSO: 4200/334

PHILIPPINES

MANILA VOWS TO PHASE OUT EXPORT SUBSIDIES

Manila BULLETIN TODAY in English 3 Nov 85 p 25

[Text] [illegible] the promotion of free trade and the effective enforcement of rules governing multilateral trade negotiations, especially the removal of trade barriers.

The commitment to phase out all forms of export subsidy before the Philippines formal accession to the General Agreement on Tariff and Trade (GATT) last June.

They were also in line with the trade liberalization program [illegible] the elimination of quotas on a number of imported products.

Trade revenue implications [illegible] the [illegible] in [illegible] [illegible] [illegible]

/13104
CSO: 4200/304

PHILIPPINES

EXPORTERS BRAND U.S. EMBARGO 'VIOLATION'

Manila BULLETIN TODAY in English 6 Nov 85 p 19

[Text]

[illegible]

/13104
CSO: 4200/304

PHILIPPINES

PARALLEL WITH CENTRAL AMERICA, U.S. ROLE VIEWED

Manila BULLETIN TODAY in English 4 Nov 85 p 6

[Commentary by Adrian Cristobal: ""Lessons in Insurgency"]

[Text] [illegible] the Philippines is not exactly [illegible] an Asian country, then worrying about our being a potential Vietnam is [illegible] misguided. On the other hand, our colonial past places us, at least in the UN [illegible] security classification, among the Latin American countries. The cue then must be with Cuba and the two troubled countries of Central America: Nicaragua and El Salvador.

In Nicaragua, the Sandinistas came to power after thirty years of struggle against the Somoza dictatorship. They triumphed as the organized party in a coalition of several anti-Somoza groups. But they are now fighting a guerrilla movement supported by the United States and anti-communist groups, including former allies of Somoza. The Sandinistas have also been denounced as anti-democratic and now they have suspended civil rights in Nicaragua because of the violent insurgency.

The government of El Salvador, on the other hand, is up against leftist guerrillas, allegedly supported by the Sandinistas. It cannot be said that the government of El Salvador is more democratic or persuasive than that of Nicaragua. Optimistic prognostications by American media commentators about a "third way" in El Salvador is more wishful thinking than hard reflection.

Whether it is from the left or the right, insurgency is a [illegible] problem for the governments of Latin American countries. The peoples are as politically volatile and argumentative as Filipinos. There is no dearth of political philosophizing. Government [illegible] first undermined by [illegible] more talk.

Involved in these insurgencies is the United States in Nicaragua [illegible] the resistance movement and in El Salvador as [illegible]. Some uneasiness of observers in the US are now suspecting that the US is successful in neither. Is there a lesson here somewhere for the Philippines?

President Marcos is reported to have told Senator Paul Laxalt to see the US government not to [illegible] more military aid [illegible] resistance and he. Marcos assuming the Philippine government will take care of the insurgency — as the Philippines had done so before. In short, what is needed from the American [illegible] support, not strategy.

/13104
CSO: 4200/304

PHILIPPINES

MARCOS' DAUGHTER, OTHERS BET AGAINST SNAP POLLS

Manila MR.&MS. (SPECIAL EDITION) in English 15-21 Nov 85 pp 18-19

["Inside the Batasan" column by Jose Ma. Nolasco--"No Snap Imee Marcos Will Betcha"]

[Text]

EVEN the President's daughter, Imee Marcos-Manotoc, does not believe.

At the buffet she tendered Monday evening at the Bataksang Pambansa on the eve of her 30th birthday, she adeptly fielded questions on her father's political plans. "Did Makati Mayor Nemesio I. Yabut accept columnist Teodoro F. Valencia's P1-million bet there'll be no snap presidential elections?" MP Manotoc (KBL-Ilocos Norte) asked.

"Yes," Jess Sison, chief of the Batasan Press Corps, confirmed.

"Sayang," she sighed with an impish grin. *"Hindi pa ako nakasama sa pusta ni ka Doroy."*

In the wake of the brouhaha over President Marcos's announcement he'll submit himself to a special election come Jan. 17, more and more of MP Manotoc's colleagues at the National Assembly are now willing to openly state their eyes the scheduled snap polls will be next year's biggest political non-event.

"The greatest skulduggery of the century," pooh-poohs MP Luis R. Villafuerte (Opposition-Camarines Sur), "if not prankstersim of the meanest kind." "Another preposterous scheme of the ruling Kilusang Bagong Lipunan," MP Marcelo B. Fernan (Opposition-Cebu City) adds. Unlike them, however, many of their KBL counterparts are taking care to conceal their incredulity.

The pieces of the puzzle have begun to fall in place. Significantly, the KBL leadership does not seem to show any sense of urgency in passing Cabinet Bill No. 7 which sets forth the conditions for the holding of special presidential elections. Sponsored by the Marcos Cabinet, the proposed measure is supposed to merit the highest priority in the legislature's order of business.

Yet, the bill was referred to the Committee on Revision of Laws, Codes, and Constitutional Amendments. "The KBL could have moved to constitute the assembly as a committee of the whole so the measure could immediately be considered on the floor," MP Fernan notes. "Why the KBL would not bypass the committee to save a step in the legislative process is beyond me."

The bill was to be taken up Wednesday by the committee. The KBL majority, however, decided to defer its consideration. Discussed instead was a Succession Bill that seeks to line up the Speaker, Prime Minister, Deputy Prime Minister, or any MP in the order of ascendancy to the Presidency should a vacancy

occur before a Vice President shall have been elected.

Still, Political Affairs Minister Leonardo B. Perez expects the Committee on Revision of Laws, Codes, and Constitutional Amendments to wind up its consideration of Cabinet Bill No. 7 as soon as possible so it may be reported out on the floor next week. Observers, however, doubt the KBL will expedite passage of the bill.

"Read between the li(n)es of Cabinet Bill No. 7," MP Homobono A. Adaza (Opposition Misamis Oriental) counsels.

Indeed, the KBL left open to amendments major provisions of the bill. The measure, for instance, sets on Jan. 17 the holding of the special presidential elections. "Unrealistic," says MP Jose L. Atienza (Opposition-Manila). The date, he explains, will not give the Commission on Elections enough time to prepare, print, and distribute the ballots. Electoral personnel will also have to be oriented on the new provisions of the Omnibus Election Code that is slated for final approval the first week of December. Under Cabinet Bill No. 7, the 45 day campaign period for the snap polls starts on Dec. 2.

In consultations with Opposition leaders, however, the KBL has expressed willingness to move the election date to either late February or early March. If that would be the case, say observers, the local elections scheduled in May could stand in the way of the snap elections.

Apart from the date, the KBL also seems undecided on whether or not to scrap the provision of Cabinet Bill No. 7 which calls for the holding of vice presidential elections as well. "Personally, I feel it should not be included," says MP Arturo T. Pacificador (KBL-Antique). "After all, the President has stated that what is at stake here is himself."

Labor Minister Blas F. Ople feels otherwise. "The holding of vice presidential elections provides 90% of the rationale in the calling of special polls. Only an early election of a Vice President will resolve the issue of succession and ensure smooth political transition and stability."

Sources, however, disclose the First Lady, Human Settlements Minister, and Metro Manila Gov. Imelda R. Marcos is strongly averse to the idea of vice presidential elections now. She has squelched speculations she would be her husband's running mate. "A Marcos-Marcos tandem, indeed, would be unpalatable here and abroad," observers say.

Ms. Marcos, sources add, is reserving the post all for herself. She plans to run at a later special election, say, one that will coincide with the local polls in May. "Should she yield the vice presidential post to some body else at the snap polls, that will put her out of contention for six years," analysts point out.

It is to accommodate the First Lady, sources explain, that the KBL is working out the passage of a Succession Bill as a companion measure of Cabinet Bill No. 7. The Succession Bill contemplates the occurrence of a vacancy in the office of the Presidency before snap polls can take place.

By not holding vice presidential elections, the KBL also intends to further split the Opposition. "Unity within the Opposition would be harder to achieve," observes MP Hernando B. Perez (Opposition-Batangas). "A Cory Aquino-Doy Laurel ticket, as a formula for reconciling differences between the two camps, would now be out of the question. The KBL is keeping its fingers crossed the two Opposition frontrunners will go their separate ways."

Whatever its intentions, the KBL also has yet to make up its mind on still another aspect of Cabinet Bill No. 7: what election rules to apply. Under the bill, the special elections will be governed by pertinent provisions of the 1978 Election Code as well as the rules of the 1981 presidential and 1984 parliamentary elections.

The Opposition insists that the new Omnibus Election Code should govern the snap polls. Should the KBL accede to this demand, certain provisions of Cabinet

Bill No. 7 will have to be reconciled with the Omnibus Election Code. For instance, the Code calls for a 60 day campaign period for presidential elections; the bill provides for only 45 days.

Of all the anomalies of Cabinet Bill No. 7, what sticks out like a sore thumb is the manner by which President Marcos tendered his resignation. The President attached his letter of resignation to the bill to skirt around Section 9, Article VII, of the Constitution: A special presidential election may only be called should a vacancy occur in the event of the President's death, permanent disability, removal from office through impeachment, or resignation.

"Would he ever a politician like Marcos will gladly cut his term of office to pave the way for elections?" MP Neptali A. Gonzales (Opposition San Juan-Mandaluyong) asks rhetorically. "Why that is contrary to human nature."

MP Arturo M. Tolentino (KBL-Manila), however, anchors his disbelief on the unconstitutionality of the President's resignation. In his letter of resignation, the President "irrevocably vacate(s)" his position "effective only when the election is held and after a winner is proclaimed and qualified by taking his oath of office 10 days after his proclamation."

"Marcos fear, the President's resignation could never take place," Tolentino explains. "If he wins, his resignation will be rendered moot and academic. If he loses, he will have to leave his post — not because he resigned but because the people threw him out of office."

"There is no such thing as an 'anticipated' vacancy," Tolentino stresses. In fact, other observers claim, the President can even validate his post-dated resignation.

In his secret talks with the Opposition, Deputy Prime Minister Jose A. Roño himself admitted that the snap election is unconstitutional. When sounded off by Opposition leaders that they will not challenge the constitutionality of snap polls, Roño told them pointblank: "Then the KBL will."

Indeed, the President has seen to it that his whole plan is laden with time bombs, anyone of which will not only blow it apart but the Opposition's chances of gaining power at an earlier date as well. "This is the latest ploy in the KBL's scheme to perpetuate the Marcos conjugal and crony dictatorship," MP Alberto G. Romulo (Opposition Quezon City) charges. Consider the following scenarios:

- Should the Supreme Court declare Cabinet Bill No. 7 unconstitutional

before the campaign period starts, the snap polls cannot take place. President Marcos, who was merely pressured by the U.S. government to yield to its demands, will thus be provided a convenient excuse for backing out from his promise.

o Should the Supreme Court dilly dally with its ruling on the legal question, this could be detrimental to the Opposition cause. The Opposition would find it doubly difficult to campaign earnestly and intensively when there is the possibility that all its efforts and expenses can be put to naught should the special law be ultimately pronounced un constitutional.

o Worst, should the Supreme Court come out with its unconstitutional ruling after the Opposition candidates have won, they cannot be proclaimed elected and assume office.

"How can the President expect the Opposition to run against him under a cloud?" asks MP Arturo D. Defensor (Opposition Iloilo). "We might as well boycott." Talks of launching a boycott movement abound. Other Opposition leaders, however, have a different perception. "What ever the rules, we will fight Marcos!"

When? Only President Marcos knows. His penchant for numerology, however, provides a clue. The presidential elections could be on Jan. 17, obsessed that he is with the number "7". This, however, does not seem probable. February or March 7, 17, 27? "Too close to the local elections set for May," political analysts point out. Synchronized polls? "Out of the question," pundits agree. After the May elections, then?

More probable, analysts concede. But, by then, 1987 would not be too far away. The President had earlier said presidential elections will be held in the seventh year of the decade as originally scheduled.

/9317
CSO: 4200/319

EDITORIAL ON POSSIBILITY OF NO SNAP ELECTION

Manila BULLETIN TODAY in English 6 Nov 85 p 6

[Editorial: "A Fundamental Issue"]

[Text] THE President did not categorically state that there will be a snap election. On the day he made the announcement he said he would seek the advice of the KBL caucus but would exert his influence to bring about the snap elections as soon as possible.

The following day, in Tarlac and Cabanatuan, he asked the crowds if he did the right thing by proposing the snap election (singular this time because he had ruled out the election for vice president).

He was quite deliberate in leaving some room for the possibility that there will be no election. Politics is the art of the practical. Some opposition leaders themselves could not make up their minds on whether to accept the challenge of a snap election because they are practical politicians. To politicians, the fundamental issue is whether a snap election would work in their favor. The answer would require extreme caution.

To some of us, the more basic question is [illegible] tion would be clean. After all, the purpose of the election involves the important issue of leadership.

Probably to most citizens it would not matter much who wins such a contest. But it would matter a great deal if an election should turn out to be relatively clean. If an election should turn out to be relatively honest and free of coercion and violence, the voices of doom would be stilled because the spirit of democracy would have been strengthened. That

would provide the strongest boost to a faltering economy and strengthen the cause of domestic peace.

Of late there have been doubts about the efficacy of democracy as practiced in this land. The civil strife itself is pointed to by some as proof that democracy here has seen better days. The doubts are expressed in some foreign countries and it is probable that they partly explain the slow movement of foreign investment. There would be probably no better way to dispel the doubts than holding a clean election.

/13104
CSO: 4200/304

ARTICLE ON PEASANT MOVEMENT LEADER TADEO

Manila BULLETIN TODAY (PHILIPPINE PANARAMA supplement) in English 3 Nov 85 pp 18, 20, 53

[Article by Annabelle S. Cueva: "A New Leader for the Peasant Movement"]

[Text] The last time peasant leader Jaime Tadeo met with Agriculture Minister Salvador Escudero, he was greatly disappointed. He and a thousand or so peasants from Central Luzon marched all the way to Manila last February to ask for a rollback in the prices of fertilizer and pesticides but were forced to go back home to the provinces with nothing to show to their fellow farmers.

Even then, Ka Jimmy (as Tadeo prefers to be called) says that they're coming back, and this time, he adds, they may no longer be looking for Escudero only. This same man who led the Alyanso ng mga Magsasaka sa Gitnang Luzon (AMGL) in the march and campout at the Ministry of Agriculture and Food (MAF) office last February, now leads the newly formed national peasant organization, the Kilusang Magbubukid sa Pilipinas (KMP) as its national chairman. This same man who had met previously with Escudero and was later arrested after police dispersed the so-called Kampo ng Bayan at the MAF, now wants to speak to no less than Prime Minister Cesar Virata - to protest not only the high cost of fertilizer and other farm inputs, but also the entire agro-industrial development strategy currently being employed by the government.

"Nakita namin na ang usaping pataba at pestisidyo ay mas makabubuting dalhin na sa national level," Ka Jimmy explains in his pure and poetic Pilipino. "Ibig sabihin, ang Kampo ng Bayan aynaging gatilyo upang likhain na ang KMP na may pambansang saklaw." (We realized that the issues concerning the high cost of fertilizer and pesticides would be better brought to the national level. The Kampo Ng Bayan paved the way for the creation of the KMP which is national in scope.)

Before the KMP was organized, peasant organizations that may be considered as independent from the government were mostly either regional or provincial-based. From the time martial law was declared up to this year, some 33 such organizations were acccordingly formed. The KMP, according to Tadeo, represents an attempt to embrace all these peasant groups into one single national peasant organizations and thus project the peasant struggle at the national level.

Since the KMP's founding in late July, Ka Jimmy has been going from one speaking engagement to another and talking with local peasant leaders. Indeed he is today no longer just another local peasant leader who happens to come from Central Luzon, the traditional bulwark of the local peasant movement. He is now the leader of a new nationwide peasant organization whose historical roots are the Katipunang Pambansa ng mga Makbubukid sa Pilipinas (MPMP) of the thirties and the Pambansang Kaisahan ng mga Magbubukid (PKM) during the late forties and early fifties.

Tadeo's commitment to the peasant struggle goes way back to the time when he was still an agriculture student at the Gregorio Araneta University Foundation, his experiences as a government worker for more or less 20 years and finally, to his involvement with AMGL and the national peasant movement.

In Bocaue, Bulacan where they were born, the six Tadeo children subsisted on the meager earnings of the father. The elder Tadeo bought medicines from the town drugstore and resold these to the sari-sari stores in the barrio. Ka Jimmy was the only one among his brothers and sisters who was able to finish college.

"Noon nag-aaral ako, maraming beses, maraming pakakataon, hindi ako kumakain ng tanghalian dahil talagang kapos kami noon. linom lang ako ng tubig. Nagkasangla-sangla nga kami bago ako nakatapos," Ka Jimmy recounts. (I often had to skip lunch in school because we were really very poor. My Family had to mortgage everything just so I could finish school.)

As soon as he graduated, Tadeo got a job as a farm management technician at the Bureau of Agricultural Extension in Bulacan, which he held on to for seven years, from 1962 to 1969. Then, he became an agricultural extension supervisor at the Ministry of Agrarian Reform until 1974. He became an agriculture Authority and finally, a manager at a local agricultural cooperative in Bulacan organized by the government under its cooperative development program.

While in the government service he married Crisencia Bernardino, a schoolteacher and the daughter of a local barangay captain in Plaridel, Bulacan. They have five children.

Ironically, it was while he was in the government service that Tadeo's sympathies for the peasantry developed.

As a farm technician, he said, he did not simply follow orders for the sake of following them. "We were also asking questions," he said. "Why is it that the farmer, despite all the various programs already being undertaken by the government-RA 38444 and PD 277, Masagana 99, the Cooperative Developmenmt Program, the NFA, and the irrigation program-remains poor? Are we really being relevant to the plight of the farmer?

As years passed, he grew more and more disturbed about policies adopted by the government on agriculture.

I realized that the government didn't care about the interests of the farmers because those who were benefitting from its policies were the multinational corporations. I was witness to all this. Take the case of fertilizer and pesticides. When these were just being introduced, they were given away for free. I was a part of this program doling out fertilizer to the farmers. Later, I realized that this was just a way to facilitate the entry of products by multinationals into the countryside. Why not develop organic fertilizer? I suggested then. But we were just being used. And then the way land reform was being implemented. "Why did the program affect only ricelands? Also, the process of land transfer was such that before the farmer could actually own the land he had to overcome insuperable difficulties. Then I worked with the cooperative development program, whose funds, already so small, were being channelled to the Ministry of Human Settlements (MHS) at that time."

Tadeo's stint with the government thus led to his subsequent involvement in the peasant movement. His dedication as a civil servant was tested when he relinquished a high paying job at the National Irrigaton Authority (NIA) to work as a low-salaried manager of an agricultural cooperative about to go bankrupt. His wife thought that he was very foolish to accept the appointment. The new job did not prove easy to handle. The problem was, people were already fed up with the project.

"Akala ko kayang buhayin ng aking sarili, pero di pala kayang buhayin ang isang kooperatiba nang walang suporta ang mga tao. Ngunit nadala na ang mga tao para suportahan," says Ka Jimmy. (I thought that I could sustain the cooperative just by myself. But realized that a cooperative will never survive without the support of the people.)

At this time the issue of fertilizer and pesticide prices was becoming an increasingly sensitive one for the farmers in Central Luzon. "Ang pagtanaw kasi ng magsasaka, ayaw nila iyong maliwan ang presyo ng palay nila sa pataba. Nagsimula kasi noong sixties iyan, P30 per bay ang pataba samantalang P30 ang palay. Pero tumaas ang presyo ng pataba hang-gang P100 at naging P180. Sabi ng magbubukid noon, aba hindi na natin makakaya iyan! Nadarama na nila ang matinding kahirapan noong 1981." (The farmers felt that palay prices should not be lower than the price of fertilizer. In the 1960's, a bag of fertilizer was only P30 while a sack of palay was P30. But fertilizer prices rose to about P100 and then became P180. The farmers complained that they could not afford these increases. They were already reeling from the effects of the economic crisis as early as 1981.)

Tadeo and the farmers belonging to his Bulacan cooperative drafted a petition to roll back the price of fertilizer. They were helped by the local Social Action Center (SAC) in Bulacan and the Luzon Secretariat for Social Action (LUSSA). Thinking that the Ministry of Social Services and Development (MSSD) would help them with their petition, Tadeo also asked some MSSD officials to lend a hand.

Later, Tadeo realized that their petition had to have the support of other organizations. With the help of LUSSA, he went to other provinces in Central

Luzon and dialogued with other peasant leaders. From this, the AMGL was formed in November 1981, with Tadeo being elected as chairman. Just two days after the AMGL was organized Tadeo's cooperative office was mysteriously burned down.

Then and there, Tadeo decided to work full-time for the AMGL organizing peasants in Central Luzon. His family had to make do with the proceeds of a half hectare of riceland that Tadeo owned in Plaridel and the meager earnings of his schoolteacher wife.

The AMGL grew into a broad regional peasant organization and soon Tadeo sought an audience with his former boss, Minister Escudero. During that meeting Escudero promised to meet with them again on the 15th and 18th of October 1984. But he never showed up. Then, last November 1, the minister raised the price of fertilizer by 12.55 percent to ₱275 per bag. The farmers were terribly disillusioned.

This time the idea of camping out at the MAF in Quezon City finally struck the famers as an effective way of calling attention to their demands.

Despite the fact that they weren't able to achieve any concrete economic gains from the camp-out, and the police subsquently dispersed their protest action with their leader being hauled off to jail, Tadeo had no regrets.

The AMGL marchers' homecoming, however, proved to be an entirely different story as they were welcomed like heroes home from a triumphant battle. "Malungkot kami noon na walang nakamit na economic gains, pero nang umuwi na kami sa kanayunan mainit kaming tinanggap ng mga magsasaka. Ang tutoo niyan, kahit saan kami mapunta alam na alam ang nangyari sa Kampo ng Bayan. Kaya makikita doon an hindi matutumbasan ng salapi ang nakamit ng Kampo ng Bayan dahil natimbre na sa lahat ng kanayunan at tumitimo na s isip ng mga magbubukid sa Gitnang Luzon na ang tunay na organisasyon na nagdadala ng kanilang interes ay ang AMGL," Ka Jimmy says. (When we came home we were warmly welcomed by the peasants. In fact, everywhere we went everyone knew what happened at the Kampo ng Bayan. That is why, the gains of the camp-out could never be measured in money terms alone because the peasants of Central Luzon now know that it is the AMGL that has their interests at heart.)

Even Ka Jimmy's father, who had never really quite understood why his soon had to sacrifice his very own future and that of his family just to work for the peasants, soon, realized how important his son's work is to the farmers of Central Luzon. One day, a judge at Bocaue approached the elder Tadeo and asked if he was the father of Jimmy Tadeo. The elder Tadeo said yes, and to this the judge replied: "'Ba, ang husay pala ng anak mo!" Tadeo's eldest daughter was similarly honored in school when, upon being introduced as the daughter of Jaime Tadeo, she was greeted by a warm welcome of applause from her schoolmates.

To most of the farmers in Central Luzon, Tadeo has already emerged as a folk hero of sorts. Quite characteristically, Tadeo takes his newfound stature rather too lightly. As far as he is concerned, he still is the humble public servant he was when he entered the government service in 1962.

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PHILIPPINES

MURDERED GOVERNOR'S WIDOW INDICATES BID FOR OFFICE

Manila MR.&MS. (SPECIAL EDITION) in English 15-21 Nov 85 p 4

[Article by Orencio Corvera, Jr, Media Mindanao News Service: "Murillo's Widow To Do A Cory?"]

[Text]

IANDAO, SURIGAO DEL SUR — Maxima Murillo, widow of slain Governor Cayetano Murillo, has made known her interest in the gubernatorial seat in the coming local polls as an "offering" to her killed spouse.

"I want to carry on the unfinished work of my husband," she said during an exclusive interview two days before the governor's burial last Oct. 31.

Ms. Murillo, who believes that the governor's assassination was an offshoot of a political rivalry, said her husband's political career did not end with his death.

KBL top officials in the province have not yet announced their prospective bets but some KBL mayors were reportedly endorsing the widow of Murillo to head the KBL ticket in the province in the coming local elections.

Before he was killed, Murillo, KBL head in the province, had expressed interest in retaining the post he has held for the past 11 years.

Murillo was gunned down inside his car last Oct. 15 by still undetermined assassins. Prime suspects included his Kilusan were [illegible] of the "[illegible] government" of the [illegible] People's Army [illegible].

Meanwhile, [illegible] husband was victim of "political circumstances." She has however refused to elaborate [illegible].

Murillo was the highest [illegible] government officials slain [illegible] January this year. He was a practicing physician before he joined the government service, serving as a congressman for four years before he won the province's governorship.

Several months before his murder, Murillo had been receiving death threats. At the time of his death, he was staying in his office in the province of a squad for safety.

The local police and military command have vowed to arrest his assassins.

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COLONEL BACALLA ON AFP ABUSES, NPA PROSPECTS

Manila MR.&MS. (SPECIAL EDITION) in English 15-21 Nov 85 pp 10-11

[Excerpts of interview by George M. Koltos with Colonel Alexander Bacalla, a Philippine Military officer who recently claimed political asylum in the United States, interviewed in Washington, D.C., 28 Oct 85--"Col Alexander Bacalla: 'Ver Has His People, Ramos Has His Group, Often these Officers Do Not See Eye to Eye'"]

[Text]

QUESTION: [illegible]

BACALLA: [illegible] I can say the [illegible] has not been [illegible] to be [illegible] that that situation caused [illegible] the system. You could really [illegible] that some of the [illegible] in the military and to defend [illegible] [illegible] the military. [illegible] the President. But at the moment, I am [illegible] of such [illegible] if I like to help, it would be from the outside.

Q: What do you mean [illegible] the republic?

BACALLA: With [illegible] like the MLP. We need to [illegible] the defection and [illegible] the need for reforms and [illegible] the international media bring pressure to bear that reforms are needed. Also, those left behind with my similar [illegible] to come out publicly. There are [illegible] in an organized manner, so the military will be united.

Q: Why have you chosen the MLP as the group you would like to support rather than other organization groups either here in the States or in the Philippines?

BACALLA: There is the consequence of ideas with [illegible] group, because the MLP believes that in the transition [illegible] ship, which is

the form of government we have, to a full functioning democracy, the only peaceful transition can only be affected with the participation of the military. The other Opposition groups do not believe in that. I believe in a peaceful transition and full participation of the military.

Q: How strong do you think the support is for Mr. Mangiapus in the Philippines?

BACALLA: I really do not know yet the plans of the Movement. But, I think he must have planned certain activities for the future of MLP.

Q: In point number four of your statement you mentioned atrocities, can you cite any specific atrocities that the military has committed?

BACALLA: In the area of human rights violations, many cases have been documented by Amnesty International, Task Force Detainees and the like, are now in the hands of the military. A more thorough investigation of these cases is in order. There are real cases of human rights abuses. (But) at the staff level that I am, I don't have any direct specific knowledge of these incidents. Unit commanders in the field perhaps may have this direct knowledge.

Q: Is there a division among those who are for Ramos and for Ver?

BACALLA: Both of them practice the system of patronage. Ver has his people and Ramos has his own group of officers. Both of them owe loyalty to President Marcos.

Q: Is there such a thing as a Ramos faction and a Ver faction?

BACALLA: There are people by Ramos and there are people by Ver - oftentimes these officers do not see eye to eye.

Q: Where would you fall?

BACALLA: I do not fall anywhere. I do not belong to any of these groups.

Q: What impact do you want to make?

BACALLA: I hope that this defection would bring into sharp focus the need for reforms. For those who are left behind that they come out more openly in an organized manner to pressure the leadership for reforms. I would like to contribute my share to the MLP because it projects the idea of a peaceful transition with the help of the military.

Q: You said you hope to mobilize the rest of the 70% to press for reforms. How could you envision them doing that considering your own frustration when you were there?

BACALLA: I hope my defection will open up channels of communication with the MLP and people within the AFP and through these channels affect a growing awareness of what we believe should be the role of the military in the peaceful transition of the government. Perhaps I could contribute my share towards the propaganda efforts of the Movement.

Q: Do you envision others to defect?

BACALLA: Yes, I have some contacts. I could not name names at the moment.

Q: The Washington Times reported that you indicated that there are 15 other junior Philippine officers here in the States who also are considering to seek asylum.

BACALLA: I can't comment on that.

Q: Are you refuting the statement?

BACALLA: I cannot comment on that.

Q: Would your defection cause an exodus of officers and military men to also come and ask for asylum?

BACALLA: I hope that my defection would not encourage such an exodus.

Q: What do you feel would have happened to you if you announced your defection in the Philippines?

BACALLA: I would have been promptly investigated and perhaps locked up and even court martialed.

Q: Do you think that these other officers that may sympathize with what you have done, will take the bold step to defect in the Philippines?

BACALLA: I don't think they will come out in the open in the Philippines. That is not expected by me.

Q: Can you comment on the Aquino assassination and the trial?

BACALLA: The perception of the people is that the AFP had something to do with the murder of Senator Aquino.

Q: What is your perception?

BACALLA: I have no direct knowledge of that incident, but I can only say that the credibility of the AFP is so low that an acquittal at this time of those charged will result in an erosion of whatever is left of the credibility of the military.

Q: Do you support the majority findings of the Agrava Board?

BACALLA: I have not followed through with the findings of the Agrava Board. But the people do not believe that a murder can be committed against the man who is guarded by over 1,900 soldiers.

Q: How effective do you think strategic hamleting has been in fighting the Communist insurgency?

BACALLA: In the present type of insurgency, hamleting is not very effective because the insurgents are with the people. Their organization is there implanted in the community so that if you move the community out of a certain place they just move with the community. So hamleting there is not very effective. To an insurgent, the occupation of space is nothing, but the penetration to the minds of the people, the propaganda, and organization techniques, the institution of political structures within the community, that's the one important to them.

Q: Do you think that legalizing the Communist Party in the Philippines would defuse their propaganda campaign against the administration?

BACALLA: That is a political question I do not feel competent to answer. As an observation, however, in the countries where the Communist party is legalized, they are not so strong politically. They have not gained so many adherents like in the U.S. for example.

Q: Have you ever been assigned to Mindanao or the Visayas?

BACALLA: My total aggregate service in Mindanao is over nine years. Immediately after graduation from the Military Academy, I was assigned to Mindanao in 1963. In fact, the last assignment I had was as battalion commander prior to GHQ was in Mindanao where I stayed for 2½ years in the boundary of Bukidnon and Lanao del Sur.

Q: In your service in Mindanao could you mention any military abuses that you have personally seen committed by a military officer?

BACALLA: There were abuses committed by men which I promptly investigated. In fact, during my tenure as battalion commander I discharged and demoted several enlisted men.

Q: For what?

BACALLA: For abuses and misconduct.

Q: What type of misconduct and abuses?

BACALLA: Well, drunkenness, indiscriminate firing.

Q: How about killing a civilian?

BACALLA: I filed a case against an officer — a second lieutenant and three enlisted men for the murder of a civilian.

Q: Was this person suspected of being an NPA supporter?

BACALLA: No, it was a result of an altercation.

Q: What happened?

BACALLA: It was tried in court — a civilian court.

Q: Is it unusual that such cases get to a civilian court?

BACALLA: No, at that time no.

Q: How about now?

BACALLA: Now there is a decree that cases of the military be tried with the military court.

Q: Where do you stand on preventive detention action?

BACALLA: I think it is illegal.

Q: In point number 3 of your statement, you mentioned that you would like to see the Marcos government dismantle the spy network overseas manned by military officers masquerading under diplomatic cover. Do you fear that they are here?

BACALLA: The contingent of the Armed Forces here in the U.S. has increased over the years. Most of these officers are assigned to consular, even commercial and diplomatic posts. Most of these officers are spying on their fellow countrymen, especially those

who have voiced opposition or conducted opposition activities against the administration. This is a waste of government funds.

Q: How do you react to the allegations that you fled the country because you are under investigation?

BACALLA: The Constabulary came out with information that I left the country to elude investigation for womanizing and having abandoned my wife and children. When I left for the U.S., I had a clearance from the office of the Inspector General saying that I have no pending case whatsoever. I had the clearance from the Intelligence stating that I had no derogatory information and on top of that, I had an approval from the office of the President. I have no record whatsoever so even the President approved my going on leave to be spent abroad. Now as to having left my wife and children, it could not be true because they are here with me. I have six children, three of the six children are with me.

Q: If the Communist insurgents get to the point where they are expected to in the next 3-5 years, would you favor American military personnel from the bases intervening in any way to assist the AFP?

BACALLA: The commitment of American forces in the counterinsurgency effort would be counter productive as was shown in the case of Vietnam. The situation is really serious at the moment, the insurgents' threat is increasing. Let's look at it this way, the AFP is about 150,000. Now you knock off the people at the GHQ and the support units, then you knock off the head quarters personnel of the four major services, then you knock off most of the Philippine Navy because only the Philippine Marines are committed to the insurgency effort, then you knock off most of the AFP personnel because it is only the helicopter squadron that is committed to the insurgency effort, then you knock off a significant portion of the constabulary because the majority of the constabulary are engaged in peace and order and the enforcement of laws. That leaves you with the battalions of the Philippine Army, the battalions of the Philippine Marines and a contingent of the Air Force and some of the PC personnel totalling about 40,000. Now if the strength of the insurgents is about 16,000 that is a ratio of, let's say, three to one. With a one to three ratio in counter-insurgency, that is bad for the government because government troops move with long logistic lines. The Fort Bragg book says ten to one at least is needed.

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EX-'AMAZON' REPORTS NORTHERN LUZON NPA EXECUTIONS

Manila BULLETIN TODAY in English 30 Nov 85 p 8

[Article by Antenor B. Parazo: "Ex-Amazon's Story--NPA Executions Bared"]

[Text] ECHAGUE, Isabela — Brig. Gen. Alexander Felix, commanding general of the Regional Unified Command (RUC) 2, reported that the New People's Army (NPA) has summarily executed some of its former members who have returned to the fold of the law.

Felix also reported cases of summary executions by the NPA of civilians whom they suspected as informers of the military.

In a report to Lt. Gen. Fidel Ramos, acting AFP chief of staff, said that his command had learned of these NPA atrocities from a former amazon who surrendered recently to the government.

Marciana de los Santos y Bettad, the former rebel, Felix said, related how the NPA meted out the death penalty on a certain Teresa Daroal, an Ilocan farmer.

De los Santos, alias "Ka Delmer," disclosed other cases of summary probes and executions of civilians who have nothing to do with the NPA or the military.

Unable to bear the NPA's brutal way of extracting information from civilians and imposing the penalties of death on former members, the amazon escaped and surrendered to RUC 2, Felix said.

De los Santos has also admitted that she shot to death two NPA members whom she identified only as "Ka Rolex" and "Ka Jerome". She suspected the two of having been ordered to liquidate her for seeking the surrender of many rebels.

NPA's operations against their former comrades who had come back to society, Felix said, may include kidnapping and "salvaging" by its sparrow unit, he said.

To protect the surrenderees, Felix called them to report to the military or police any sign of operations launched by the NPA against them.

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NPA DENIES BATAAN POWER CABLE PILFERAGE

Manila BULLETIN TODAY in English 3 Nov 85 p 18

[Article by Efren P. Molina: "Bataan NPA Denies Hand IN Pilferage"]

[Text] BALANGA, Bataan — [illegible] leaders of the New People's Army (NPA) have denied involvement in the pilferage of the National Power Corp. cable wires that has been going on for some time in a number of municipalities here.

The NPA leaders made the denial in communication sent to [illegible] religious, business and political leaders and the *Bataan Journal*, a Central Luzon weekly.

The communique said that although a number of people have been arrested or killed by the military on suspicion that they were involved in the cable wire pilferage [illegible] was a member of the NPA.

While the communique [illegible] the participation of [illegible] in the [illegible] theft, it appeared that the saint group had adopted a "hands off" policy on the matter.

Earlier, a dialogue among the local officials, military and concerned citizens [illegible] held [illegible] Abucay. Members of the Abucay municipal council led by Mayor Maximo dela Fuente attended the dialogue.

A group broke at during the dialogue [illegible] widows of three [illegible] who were killed by [illegible] in Mariveles [illegible] demanded that they [illegible] given [illegible].

Gen. Reyes [illegible] Battalion, said that some of the accused were caught in the act and killed when tried to fight it out with the [illegible].

At [illegible] Mayor [illegible] that [illegible] to the workers [illegible] Municipal Development Council. [illegible] the [illegible] to [illegible] following.

Col. Teyano M. Mateo, commander of the [illegible] Battalion [illegible] with the [illegible] of the [illegible] Bataan.

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PHILIPPINES

OPPOSITION WEEKLY EXPLORES MYSTERY OF MURDERED DOCTOR

Manila MR.&MS. (SPECIAL EDITION) in English 15-21 Nov 85 pp 12-14

[Article by J.R. Alibutud--"The Mystery of the Baccay Case: Solved But Not Solved"]

[Text]

Hill on top of a barren, cogon swept hill sprawls the Baccay compound of four houses in Pleasant Village, Bayanan, Muntinlupa. The last few meters of the road, leading to the compound, is unpaved and steep that tricycle drivers don't even try. Posted prominently on a gatepost by the road is a "no trespassing" sign. Guards greet violators immediately.

Though the Baccays list their address as Pleasant Village, the Baccay compound sits on a lot outside of the subdivision proper, the village streets serving as an access road to their hilltop home.

Security is tight and caretakers warned not to make any statement on what happened last Oct. 31. Dr. Marietta Baccay expressly forbids any of her help at the estate from talking about the murder of her husband unless there was written permission from her.

A little mongrel sleeps uncaringly on his side in the muggy mid morning heat. A laundry woman and a uniformed houseboy sit on a patio bench shooting the breeze, and reading magazines. The owners are not at home and no one wants to talk.

This is the patio where Baccay's killers waited for him and his family to arrive on the night of Oct. 31.

Despite the severe shortage of police prowl cars, a mobile police team still grards the spacious Baccay estate. Two plainclothesmen provide round the clock protection 10 days after Baccay's murder and three days after the case had already been pronounced solved.

Baccay was cremated at the Manila Memorial Park Crematorium in a ceremony attended by some 3,000 mourners and sympathizers last Nov. 6.

A Malaya editorial on Nov. 11 definitely linked the slaying of Dr. Potenciano Baccay to the Presidential Security Command. It surmised that "Dr. Baccay was silenced as an act of brutal reprisal to prevent him from further revealing other details of Marcos' unmatchable sickness and his two surgeries." Publisher Jose Burgos and Editor Lourdes Fernandez have been charged with a ten million peso libel suit by PSC head, General Santiago Barangan.

A series of events led to the daring Malaya editorial.

On Oct. 19, the President told Ted Koppel on ABC-TV's "Nightline": "Your doctors are so good, now I am better than a normal person with two kidneys." There it was straight from the horse's mouth (after

all. The President claims to be as strong as one).

On Oct. 27, a news item appeared in the Washington Post contending that Marcos was deathly sick with a kidney ailment and that he had only anywhere from six months to a year to live.

Five days later on Nov. 1, the blood-soaked body of Dr. Potenciano "Mike" Baccay, vice president of the Kidney Foundation of the Philippines and a personal physician of the President, was found abandoned in his stolen Hi Ace van with at least 19 stab wounds on the left side of his chest.

And finally just this Monday, an American newspaper, the Pittsburgh Press, broke the story that before Baccay died he had revealed to journalists that Marcos has had not one but two kidney implants since August, 1983.

Baccay along with his colleague Dr. Enrique Ona was quoted as saying that two kidney implants were performed on the Chief Executive from "living unrelated donors". Baccay was reported to have identified two American doctors, G. Rand Heitruch, director of renal implants for the Georgetown Medical Center in Washington, D.C., and Dr. Barry Kahan, director of Transplantation for Hermann Hospital in Houston, Texas.

Dr. Enrique Ona, the other doctor in the Pittsburgh Press story, denied that he ever told the paper that Marcos had two kidney transplants. He also added, "I may have said some of the things I was quoted to have said but not in the context of the President's kidney transplant."

Office of Media Affairs Chief, Gregorio Cendana "laughed off as fantastic" any claims that the President has had kidney transplants saying that it all was just a rehash of the old President Marcos-is-dead stories.

It is Baccay who's dead. His "mysterious killing", as Malaya termed it, started when five armed men barged into the Baccay household at around nine p.m. last Oct. 31. They hogtied the security guard, Benito Yuson, who later turned out to be the gang's inside man, and Petra Diaz, a laundrywoman caretaker whom the Baccays had requested to look after their house while they were at the Loyola Memorial Park.

The armed men were supposedly going after a million pesos in cash stashed somewhere in the house. When they did not find it, they waited for the Baccays to return. They waited for more than two hours.

When the Baccays' Hi Ace van finally pulled into their driveway, it was already a quarter before 1:' in the evening.

According to eye-witness accounts interviewed by Mr. and Ms. Special Edition the Baccays were made to lie down on the ground while they were [illegible] for weapons. The armed men demanded the keys to the Baccays' four vehicles, a Mercedes Benz, a Nissan Stanza, a Toyota van, and a Toyota Corolla. The keys were immediately turned over.

After the armed men took Baccay's money, they were all herded into the bathroom and locked in while the armed men fled in the Hi Ace van taking with them a microwave oven, a Betamax machine, [illegible] and P [illegible] in cash.

Five minutes later, they returned saying that they [illegible] kept [illegible] out of the [illegible]. The armed men said that they wanted Christopher Baccay, [illegible], to guide them out, but the doctor volunteered himself instead.

Eyewitnesses described the armed men to Mr. [illegible] as "*Mabait. Iniwan kami [illegible] pinagsasaluhan ni Dr. Baccay na hanap sa papa tayan.*" (They behaved well, they did not hurt us, that is why Dr. Baccay trusted them not to kill him.) One of the armed men with a .38 pistol told the family, "*Pasensya na kayo, hanapbuhay lang kaya pala gawin ito.*" (We're sorry, but we're paid to do this).

This contained mutual in newspaper accounts by Dr. Marietta Baccay, the dead doctor's wife, in which the robbers said the same thing before she became tranquilized a few days into

the investigation. When Mr. & Ms. Special Edition talked to one of the household helps, she confirmed that she heard one of the men say about only being paid "to do this."

The van was eventually found hours later parked at the corner of Cama and J.P. Laurel Streets in Guadalupe, Makati. Barangay Captain Pablo Geronimo of Guadalupe Viejo found Baccay's body with his hands still tied behind his back. Residents said that the van was left there at around three a.m. on Nov. 1. Four men, they said, got off and unhurriedly walked away.

After the first day of investigations, the police immediately ruled out robbery as the primary motive and concluded that the killers were actually after Baccay. This view was given headline treatment in both Tempo and People's Journal, Nov. 3.

Police investigators cited several inconsistencies in the robbery angle. Among them is that the men waited for more than two hours for the Baccays to arrive. Police said criminals usually take what they can and leave. Another is that most of the loot taken from the Baccay's residence were left in the van with the body. And also the killing of Dr. Baccay involved more than 19 stab wounds, as if someone really wanted to make sure. In pulp fiction cinema spy terms it was "terminate with extreme prejudice". Later, the killer said that he killed Baccay because he was afraid that Baccay recognized one of them. But the men did not wear any masks at all.

However, nine days after the police came up with this conclusion Acting MLTROCOM Chief Victor Natividad proudly stated on television that the case was solved, that it took the authorities only six days to solve it. He also said, "They (the robbers) did not have any intention to take Baccay, they just wanted someone to take them out of the subdivision."

The suspects arrested by the police were Allan Leriol, 21, a jukebox technician; Julito Molina, 25, security guard; Benito Yuson, 25, security guard; Mario Magampo, 24, ex-con; Rogelio Cruz, 25, bakery helper; Joseph Dagang, 18, Philippine Marine; Marcelino Yap, 28, a jeepney driver.

No matter how the authorities try to explain off all the seeming inconsistencies, the doubts still linger. The accused now in detention and refused bail still act confident. Added a police officer who did not want to be identified, *"Pina bang nakasandal sa puder"*.

Baccay case solved — or is it? Eleven questions beg to be asked.

1. Why would robbers wait for more than two hours for the Baccays to arrive?

2. If robbery was the motive, why were items looted from the Baccay residence left with the body?

3. The suspects planned their operation on Oct. 31 because they wanted to be sure no one was home. Why then wait for the Baccays to return home?

4. Why did the robbers not take the Mercedes and Nissan Stanza instead of the cheaper van and Corolla?

5. What did the robbers mean when they said, *"Pasensya na kayo, binaba yaran lang kami para qawin ito,"* (confirmed by at least two sources)?

6. Why did Allan Leriol say that he was panicking when he left the van while residents in the area said that the men left very casually?

7. Why did Marietta Baccay suddenly change her position? Why did she become so tightlipped over her husband's murder?

8. How come the gang men did not know their way out of the subdivision when one of them was a security guard of the Baccay estate?

9. Why was the rubout angle never pursued when the initial police investigations ruled out robbery?

10. Why is there a prowl car devoted to round-the-clock protection of the Baccay residence?

11. Why the massive OMA and Malacanang reaction to the murder of a private citizen?

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PHILIPPINES

POLITICAL AFFAIRS MINISTER ON IMPACT OF WEAKENING ENGLISH

Manila BULLETIN TODAY in English 4 Nov 85 pp 1, 15

[Article by Rod L. Villa, Jr.: "English Weakening Noted; Strengthening of Language Urged"]

[Text] Political Affairs Minister Leonardo B. Perez lamented yesterday the steady weakening of English as the [illegible] national language of Filipinos, saying this would be a major stumbling block to future progress in the country.

Perez urged that immediate steps should be taken, through the mass media and the educational system, to reverse the trend by requiring the use of English as a tool towards [illegible] all sociological, cultural and vocational courses.

"I hate to see the day the Filipinos, recognized by the world as the largest English-speaking nation, will lose the language by default," he said.

Perez made the statements as he joined a multi-sectoral citizens committee to press approval of Parliamentary Bill 7199 which [illegible] to establish a Commission on National [illegible] and international language.

"It is [illegible] to know that English will hardly be exercised by thousands of teachers and that it could not be spoken intelligibly not only in the provinces but also in Manila and other sectors of Manila," he said.

"Just I speak English does not make me and a Filipino," said Atty. Nueve Vizcaya [illegible] who was later [illegible] proficient in speaking and [illegible].

Perez, however, [illegible] the [illegible] of Filipino as the national language as mandated by the 1987 Constitution.

The committee, composed of more than 100 lawmakers, [illegible], educators, [illegible], engineers, media [illegible], [illegible], [illegible], lawyers and other professionals, chaired by Demetrio Quiazon Jr., noted [illegible] former Constitutional Convention delegate, as its chairman.

It [illegible] [illegible] Cabinet [illegible] [illegible] [illegible]

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NDF ORGAN CITES U.S. DOCUMENT, ALLEGES 'INTERVENTION'

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 pp 1, 2, 3

[Official international publication of the National Democratic Front of the Philippines]

[Article: "U.S. Steps Up Political Intervention"]

[Text]

"The US wants a strong, stable, democratically oriented, pro US Philippines."

"The US does not want to remove Marcos from power to destabilize the GOP (government of the Philippines)."

"Our (US) support is one of Marcos' largest remaining strengths."

"We need to be able to work with him (Marcos) and try to influence him ...to set the stage for peaceful and eventual transition to a successor government whenever that takes place."

"1984 to 1987, that is, from the 1984 parliamentary election to the 1987 presidential election may be a major transition period."

The above quotes come from a secret document which leaked out from Washington last March. Dubbed as probably the most explosive document in US-Philippine relations in the last decade, the secret government report extensively outlines US steps in escalating political and economic intervention in the country.

"The NSSD: US Policy Towards the Philippines" is an outcome of an 18 month study by an inter-agency task force of the US government established in the aftermath of the assassination of Benigno Aquino in August 1983.

The inter-agency task force included members from the Central Intelligence Agency (CIA), Pentagon, State Department, Treasury, Congressional Research Service, and private consultative firms.

In a related development, CIA Director William Casey had just concluded a three day visit to the Philippines reportedly to convince Marcos of US interest for an early test at the polls. Presidential and Vice-presidential elections are scheduled in 1987 but many believe that polls may be called sooner.

In the past several months, US moves in the country have become more open and brazen. Strong public and private statements were issued by the US through high ranking officials. A full scale policy speech was delivered by Assistant Secretary of State Paul Wolfowitz. Following these were letters from President Reagan stating US concerns and policies, delivered to Marcos in Manila last January 16 this year.

Casey's visit was preceded by trips of other high level officials like former US ambassador Jean Kirkpatrick, a member of Reagan's cabinet; William Crowe Jr., commander of all US forces in the Pacific, who is seen to take over as the chairman of US Joint Chiefs of Staff; and Assistant Defense Secretary Richard Armitage. These efforts have been supplemented by the local US embassy and CIA component in JUSMAG.

US meddling in Philippine political scene have been qualitatively marked specially since the Aquino assassination in 1983. Immediately after the slaying, US State Department and Congress began pressuring the dictator to set up an "independent" commission to investigate the assassination. US officials also made known that they prefer Gen. Fidel Ramos, a West Point graduate, to take the reign over the armed forces, replacing Gen. Fabian Ver, the former chief, who is on trial for complicity in the Aquino slaying.

After years of claiming that demands for free elections in the Philippines would constitute undue intervention, the State Department began pressuring the regime to reform some election policies and launched an intense lobbying effort to pressure the reformist opposition to participate in the May 1984 National Assembly elections. The State Department even predicted that Marcos would allow the reformist opposition to win about 60 seats out of the 200 slots in the Parliament.

ECONOMIC RESCUE

Side by side with its political moves, the US is tightening its direct control over the military and is closely supervising the economic rescue plan. With the worsening economic crisis fueling the political polarization in the country, the State Department accelerated the disbursement of $50 million in economic assistance for bailing out the Philippine financial system. The US treasury also prescribed strict adherence to the IMF austerity program, which included devaluation of the peso, increasing consumer taxes, import liberalization, etc. Compliance with the US demand would open up more loans for the government from the World Bank and Asian Development Bank and increase development assistance. At one time, the US symbolically vetoed a government request for more loans, to tell the Philippines to toe the US line.

The US has given Marcos $105 M military aid package for 1985 and accelerated the disbursement of $427M of the $900 M "rent" for the bases which will all go to Marcos' armed forces. The US also continues to send stream of military advisers to the Philippines; train Filipino officers in the US; and hold joint military exercises annually.

The measure and methods used by the US and their purposes are spelled out more clearly in the NSSD document.

Essentially, US strategic goal is to preserve the semicolonial and semifeudal system in the Philippines and to maintain its political, military and economic interests in the country.

Tactically, the thrust is to effect a smooth transition from the current dictatorial regime to an elite democracy. A corollary aim the US hopes to achieve is to render ineffective politically the revolutionary movement and achieve in a swift way, decisive military victory over it.

STRATEGIC OBJECTIVES

In presenting the US dilemma with the Philippine crisis, the NSSD paper of the US inter-agency task force stated that "the US has extremely important interests in the Philippines."

If it loses the Philippines, the US suffers the humiliation of a big power losing a longtime neo colony and will find its hegemony in the Southeast Asian region greatly weakened. The US also loses its two big military bases, Clark and Subic, which together have proven effective in the past decade as springboard for US military aggression. These, apart from superprofits of American big businesses obtained thru export of capital and unequal trade. The US policy paper (NSSD) fully spelled out these interests:

" Politically, because the US nurtured the independence and democratic institutions of our former colony, the Philippines must be a stable, democratically oriented ally. A radicalized Philippines would destabilize the whole region.

Strategically, continued unhampered access to our bases at Subic and Clark is of prime importance because of the expanded Soviet and Vietnamese threat in the region. Fall back positions would be much more expensive and less satisfactory.

A strong ASEAN that includes a healthy Philippines allied to the US is a buffer to communist presence in Southeast Asia and a model of what economic freedom and democratic progress can accomplish.

Economically, we benefit from a strong investment and trade position."

The "political and economic development in the Philippines threaten these interests", the report further said. It pointed out to the "depressed economy, the weaknesses of the Philippine military and its abuse of civilians, popular fear and resentment of the military, and the government's inability to deliver economic and social development programs" as the factors contributing to the "continued steady progress" of the Philippine revolutionary movement.

The underlying premise of US approach "assumes that our (US) interest in the Philippines are worth a high priority and costly effort to preserve".

ELITE DEMOCRACY

The inter agency report also outlined the short to medium term tactical objectives of the US. Briefly, it called for replacing the Marcos dictatorial regime with elite democracy in a manner that would not further destabilize the entire set up or system that the US wants to save from completely going under.

The paper points out, "Our ... assets could be lost if we come to be seen as favoring a continuation of the Marcos regime to the exclusion of other democratic alternatives." US approach would be to push for " a more open political system".

Elite democracy, the power sharing arrangement among the local elite, in particular between the Marcos faction on one hand and the pro US reformist opposition on the other hand, entails, in the US plan, continuing support to the Marcos regime while easing him into retirement.

It states "that while President Marcos at this stage is part of the problem, he is also necessarily part of the solution. We need to be able to work with him and to try to influence him through a well-orchestrated policy of incentives and disincentives to set the stage for peaceful and eventual transition to a successor government whenever that takes place. Marcos for his part will try to use us to remain in power indefinitely."

As for the reformist opposition, the paper underscores: "We have sought to support those Filipinos who have been on the cutting-edge of moderate reforms or change."

US will ensure compliance by Marcos through what the policy paper calls "no-sale" option and "non-feasance" option. This means withholding aid to Marcos if he does not agree or if he agrees but fails to comply with US policies. The premise of these options is "that (US) support is one of Marcos' largest remaining strengths".

SNAP ELECTIONS

There was no mention of a timetable for the transition in the policy paper but it linked the process to the presidential election. The plan included "institutional change" in preparation for the election and forwarded specific measures concerning the Commission on Elections (COMELEC), the National Citizens Movement for Free Elections (NAMFREL), the election law, the presidential decree making powers and the media.

The recent visit of CIA director Casey indicates that Washington may be accelerating its timetable for changing the chief executive of its client government. The intelligence chief's reported suggestion of snap elections may mean putting Marcos' term on the line before 1987 or designating a vice president earlier than scheduled and replacing Marcos later.

LAST CARD

The US plan does not confine itself to political and economic measures, for clearly it is not confident that these measures alone would suffice or even work out. As the NSSD paper states: "An overriding consideration should be to avoid getting ourselves caught between the slow erosion of Marcos' authoritarian control and the still fragile revitalization of democratic institution, being made hostage to Marcos' political fortunes...or tagged with the success or failure of individuals in the moderate leadership. A strong case can thus be made for security assistance..."

US fears the NPA threat and takeover which the paper defines as "a distinct possibility in the mid to long term and possibly sooner". It goes further to say that "Marcos is not uninformed about the NPA threat or the deficiencies of the AFP to deal with them. However, he is probably unwilling to admit (these) ... because to do so would be an indictment of his nearly twenty years of rule".

Thus a vital part of the plan called for "dramatic measures" for the US to directly supervise the upgrading of the Philippine army for counterinsurgency. Included in these measures are: "(the) restoration of professional, apolitical leadership of the Armed Forces in order to deal with the NPA threat", "improved training" and "enhanced military assistance". The plan also stipulated converting military credits to outright military grants.

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LIBERATION PROTESTS 'CONTINUED U.S. DOMINATION'

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 pp 1, 3

[Official international publication of the National Democratic Front of the Philippines]

[News Analysis by Luningning de Vera: "Independence Day Protests; Sovereignty Problem Underscored in Current Political Scene"]

[Text]

MANILA, 12 June. 50,000 demonstrators bravely held their ground as their march was stopped in front of the City Hall. From Bonifacio Park they sought to proceed to the US embassy to deliver resolutions protesting continued US domination of the country and demanding for the removal of US military bases. However, they were blocked by riot police and constabulary troopers backed by fire trucks, military buses and trucks.

As the demonstrators continued their rally in front of the blockade, 45 jet fighters and other planes and 19 helicopters swooshed above them. The aircrafts, all supplied by the US to the Marcos government, were on the way to the adjacent Luneta Park where Marcos had brought out the military in an unprecedented show of force.

The occassion was Philippine Independence day.

June 12 in the country marks the success of the Philippine revolution against Spanish colonialism, with the proclamation of the first Philippine republic in 1898. US intervention frustrated the flourishing of what was then Asia's first republic and led to 45 years of direct colonial rule and present day US domination.

Every year, the date has been used by the Marcos government to show the supposed "independence" of the country. This year, Marcos repeated the ceremony.

Ironically, Marcos himself exposed the hallowness of his ceremony when days before the event, he announced that he might call in US troops if the situation gets out of control, meaning if the threat to his regime, in particular the New People's Army or NPA, became massive.

For the ceremony, the Marcos regime went at great length to have a good show. Aside from the grand military parade, it used as many trucks and buses it could get to cart in thousands of people, many of whom

were government employees, to listen to the speech of Marcos.

The target audience of the show of force included the local Filipino elite as well as the entire machinery of the Marcos regime. But most especially, the show of force was for Washington. The message Marcos wanted desperately to get across the Pacific was that his regime can still be relied upon to protect and enhance US interest.

NATIONWIDE PROTESTS

Meanwhile, in the streets of 16 major urban centers in the country, tens of thousands of people marched in protest against fake independence.

Coordinating the nationwide demonstrations was the BAYAN (Bagong Alyansang Makabayan or New Patriotic Alliance).

A political federation of about 500 sectoral and multisectoral organizations and alliances, BAYAN only had its founding congress last May. But with the vast number of organized forces affiliated with it, on the basis of its clearly anti imperialist platform, it is to date, the largest political force in the open opposition.

The mass actions of BAYAN had one undeniable focus -- condemnation of continued US domination and control over the country's politics, military economy and culture. The rallies assailed the various aspects of US rule and interference in the Philippines. Among these are US responsibility for setting up and propping up the Marcos dictatorship; the current attempts by the Reagan administration to introduce "reforms" aimed at smoothly replacing the now discredited dictatorship with an elite democracy; continued funding, aid, and "advisorship" for the Philippine military; dictation of economic policies through the IMF World Bank that result in unparalleled hardship and suffering of the people; and maintaining US bases in the country.

Broad participation in BAYAN rallies demonstrated that now, more than ever in the past, the demand for ending imperialist rule has become so widespread. It is undoubtedly the foremost issue in the minds of majority of Filipinos who are politically active and seeking for change.

TONING DOWN

While people were on the streets, a number of traditional politicians of the reformist opposition were holding a convention supposedly to choose who among them can run against Marcos in a presidential election. The United Nationalist Democratic Organization (UNIDO) convention formalized the nomination of Salvador Laurel, president of the organization.

In his acceptance speech to the convention, Laurel criticized the 20-year old rule of Marcos. The speech however and the convention itself conspicuously avoided the main issue of the day which was the assertion of sovereignty by the Filipino people.

Laurel and Unido have been criticized several times in the past by many opposition groups of confining its opposition to only the Marcos regime and refusing to oppose US backing for the dictatorship as well as US rule in the country. It has been said that Laurel's position serves his own personal ambition to replace the dictator.

Aside from a purely anti Marcos stance, other ways by which some reformist oppositionists try to tone

down the anti imperialist demand has been by raising communism as the issue, in an effort to divert the attention of the public from the actual problem. Just before June 17, talks of increased Soviet activity in Manila circulated around in political and media groups. A local newservice traced the rumors to Washington but some observers said some rightist oppositionists had a hand.

The month before independence day too, strong intrigues, apparently a red scare campaign, was launched against the political federation BAYAN. Yet the performance of BAYAN last June 17 showed that the intrigues had minimal effects, if at all.

The more important point however, portrayed by the June 17 events is that wide popularity of the demand to end US domination in the country has sharpened the demarcation line between those who in the country supports US imperialism and those who stand with the Filipino people in their struggle to assert their sovereignty.

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MILITANT OPPOSITION PAPER DETAILS U.S. NUCLEAR WEAPONS PLAN

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 p 2

[Official international publication of the National Democratic Front of the Philippines]

[Article: "227 Nuclear Bombs Designated by US to the Philippines"]

[Text]

US President Ronald Reagan, in a secret memorandum, authorized US armed forces to station 467 nuclear bombs in eight countries in various parts of the world, without permission from, nor notice to, host countries.

The plan known as the "US Nuclear Weapons deployment Plan for 1985" (NWDP) designated nuclear warheads deployment in the following countries: 227 in the Philippines; 32 nuclear depth bombs each in Azores, Bermuda, Canada, Iceland, Spain, Diego Garcia; and 48 in Puerto Rico.

Of the 227 nuclear weapons designated for the Philippines, 32 are anti submarine B 57 nuclear depth bombs, 80 are naval nuclear weapons, 115 other bombs. Each nuclear depth bomb have an explosive yeild of about 10 kilotons (3 kilotons short of the Hiroshima bomb which had 13 kilotons yeild and caused the death of 70,000 within a month).

The memorandum did not specify when the presidential authority was given to the US military for the nuclear deployment. US bases in the Philippines is widely believed to be the main depot for US nuclear weapons in the Pacific region. Former Senator Jovito Salonga disclosed last March that the US Clark Air Base in Pampanga and the US Subic Naval Base in Zambales holds the biggest arsenal of nuclear weapons in the region. "A simple computer error or a miscalculation", warned the senator,"could trigger off the nuclear annihilation of 54 million Filipinos."

Former Supreme Court Justice Jose W. T. Reyes said that the US plan is a "violation" of the RP US military bases agreement which, he said, prohibits the installation of nuclear weapons in the country without the knowledge of and consent of the Philippine government. If the weapons were installed the country would be

among the first targets in a war, as it happened during World War II when Japan bombed Clark Air Base in Pampanga.

According to the plan, the existence of the nuclear warhead would be revealed to the host governments only in times of crisis. US government maintains that their "policy regarding nuclear weapons locations is that it will neither confirm nor deny the existence of US nuclear weapons located anywhere."But portions of the plan leaked out despite US efforts to keep it concealed. The NWDP along with a Nuclear Weapons Stockpile Memorandum, are key documents the US President approves each year to authorize the composition, deployment, production and retirement of warheads during peacetime, crisis and war.

The NWDP highlights US efforts in developing outposts for aggression which in turn destabilize peace and order in various regions of the world.

US bases in the Philippines have served as a fulcrum of US military aggression. During the Vietnam war, Clark Air Base served as a major airlift and refueling center for US airwar. Carrier task forces from Subic Naval Base are regularly deployed in flare-ups such as the Iranian crisis, the Iraq-Iran war and the North and South Yemen border war.

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NDF PUBLICATION REPORTS 100 FOREIGNERS IN 1 MAY RALLIES

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 p 3

[Official international publication of the National Democratic Front of the Philippines]

[Article: "100 Foreign Delegates Join Filipino Workers in May 1 Actions"]

[Text]

About a hundred delegates from different countries joined Filipino workers in labor day protest actions in the Philippines. Despite harassment from the military faced by some of the delegates, they joined the marches and rallies in the cities of Manila, Iligan and Bacolod. A total of about 350,000 Filipino workers militantly participated in the actions organized by the Kilusang Mayo UNO (KMU or May 1 Movement) in the main cities and towns of the country.

The delegates, many of whom were trade union officials, came from the United States, United Kingdom, France, Italy, Japan, Australia, New Zealand, Malaysia, India, Hongkong, Iceland, Belgium and Norway. In a communique issued in the course of a 10-day solidarity program of activities just before May 1, they reaffirmed "steadfast solidarity with the struggle of Filipino workers" and denounced the Marcos government as "principally responsible for the wretched conditions of the Filipino working class and the entire Filipino people". The delegates also expressed support for the KMU as the genuine trade union center in the country.

In Metro Manila, the foreign delegates marched with about 60,000 workers. Repeated threats made by Mr. Marcos against militant labor groups failed to have any effect on the large march-rally organized by the KMU. The government organized its own rally through the Trade Union Congress of the Philippines (TUCP) but gathered only 2,000 people.

In Mindanao, labor unions of the KMU held mass actions in 20 provincial capitals and 14 cities including a 15,000 strong march rally of workers in Davao. In Iligan City, the government military harassed foreign delegates by stopping vehicles and conducting body and luggage searches. To elude greater harassment, the delegates had to transfer residence several times during their stay.

In Negros Island, which has been reeling from massive layoffs due to the grave crisis of the sugar industry, the workers held simultaneous rallies in eight towns. In Bacolod City, several Australian delegates joined 30,000 sugar workers in the march-rally. A day before, the Australians were with workers in a picket line which was dispersed by water canons.

In Bataan, a province in Central Luzon, about 20,000 workers, mostly those coming from the Bataan Export Processing Zone undertook a 2-day march-rally. Elsewhere in the country the mass actions reported were in the cities of Cebu and Iloilo in the Visayan Islands; in the town of Binan,Laguna in Southern Luzon; and in Angeles and Baguio cities in central and northern Luzon respectively.

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NDF ON STRENGTH, PROSPECTS FOR REVOLUTION

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 p 5

[Official international publication of the National Democratic Front of the Philippines]

[Commentary: "How Soon Will Revolutionary Forces in the Philippines Achieve Victory?"]

[Text]

This question was posed in the first press conference of the NDF in Mindanao, last April 19. The NDF in the island has governing committees in over 1,100 organized barrios, counts on the support of 20,000 activists and has a base of around 170,000. The New People's Army (NPA), which is a part of the NDF, has 9,000 full time and part-time querillas in the island operating in 19 guerilla fronts. In total, the fronts cover 2,700 barrios in over 200 towns and cities in 16 provinces or practically the entire mainland Mindanao. NDF Mindanao also currently exercises leadership in all major democratic sectoral movements in the island and has effective influence among workers in 150 factories or plantations and among students in over 80 schools.

The prospects for revolution, the NDF Mindanao provisional council says, can be described this way:

With the unprecedented advance of the armed and political struggles, there is no more doubt that the US-Marcos fascist reign is drawing to an end. The intensifying economic and political crises, which show no signs of being reversed, and the accumulated gains of the revolutionary struggle in the previous years are the conditions which may enable the people's war to reach the strategic statemate within the next three to five years.

Militarily, this means that the New People's Army shall have attained a rough parity with the enemy forces in major areas, marked by the increasing capacity to undertake regular mobile warfare, such as the seizure of big towns and cities and wiping out of large enemy forces. Politically, this means the escalation of the people's open political struggle into popular uprisings and insurrections directed at shattering the regime's foundations of power.

The time frame for this revolutionary scenario, however, is not constant. It may rapidly accelerate if conditions ripen to allow for the fullscale escalation of the political struggle far ahead of the armed resistance. As illustrated by the Sandinista victory in Nicaragua, the political struggle may mature ahead of the armed struggle, capped by the outbreak of almost simultaneous and partly spontaneous armed insurrections on a nationwide scale, which will inflict a fatal blow on the ruling regime.

Built on the dual strategy of political and armed struggles, the NDF is well-equipped to seize a wide range of revolutionary opportunities. Not only does it have the capacity to effectively combine the impact of the armed and political struggles. It has the potential to even shift and give full play to whatever revolutionary strategy may become appropriate and effective in the light of changing conditions.

Whatever it is, one thing is certain: the victory of the national democratic revolution is drawing close, indeed much closer, than any time in the past.

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NATIONAL DEMOCRATIC FRONT REPUDIATES PKP, LAVA

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 pp 6, 7

[Official international publication of the National Democratic Front of the Philippines]

[News Analysis: "Remnant Group of the Old Communist Party of the Philippines; Lava's Group Earns Stigma for Surrender and Collaboration"]

[Text]

"When the niceties of liberal democracy shall have been restored (in a post Marcos era)", Jesus Lava promises that his group,as it devotes all its energies to parliamentary struggle, will be able to expand and that on the other hand,the new communist party will no longer be able to make gains as impressive as present. The leader of the remnant group of the old communist party gave this prediction in an interview that recently came out in MR. & MS.,a widely circulated Philippine magazine.

The prediction was viewed by most political observers in the country as a hopeless effort by Lava's group to gain any sort of credibility. The immediate problem of the group as the interviewer in the article wildly puts it, is that Lava's group "is considered a non entity in Philippine politics" today.

Indeed, the prestige and wide recognition achieved by the new Communist Party of the Philippines CPP (translated as Partido Komunista ng Pilipinas in the local language) has to a degree pushed out into near oblivion Lava's group which to date continues to call itself with the same name in the local language (more commonly referred to with the initials P.K.P.). However it is not ideological difference with the new Communist Party nor lack of visibility in current political developments that constitutes the main problem plaguing Lava's group. Rather, it is the stigma that it has earned for itself, as a collaborator to the Marcos dictatorship that deprives it of any credibility whatsoever in the broad opposition. Besides its record of surrender and years of active and continuing cooperation with the Marcos regime, Lava's group is also widely distrusted specially because of its responsibility for the mass political killing of scores of its former members.

O L D C. P. P.

The old Communist Party was founded in 1930 by Crisanto Evangelista. Immediately following its establishment, the old Party successfully led

the workers movement in anti imperialist struggles. But with the outbreak of World War II, when the Japanese invaders occupied Manila, its leadership was captured. Beginning this period up to 1964 or over two decades, the Lava brothers Vicente, Jose and Jesus succeeded one another at the top post of the Party.

Taking the path of armed resistance against the Japanese invaders, the Party gained considerable strength during the war years. It also made much headway in the early 1950s when its cadres and guerilla fighters heroically fought US directed troops of the Quirino puppet government. In both periods however, incompetence in leadership on the part of the Lava brothers translated into decisive military defeats for the Party led guerilla forces - first in 1941 in Central Luzon when the Party leadership under Vicente Lava adopted the erroneous policy called "retreat for defense". This policy disbanded guerilla forces into smaller units making them more vulnerable to the encirclement campaign launched by Japanese occupation forces; then again in 1950 when Jose Lava leadership adopted the ill fated plan of quick military victory in 2 years.

Following each of these defeats, the Lava leadership pendulumed into abandoning armed struggle. Discarding the gun inevitably meant surrender, an act which the Lavas undertook in the vain hope that this would allow them access to the halls of the Philippine Congress. And yet, from the start of indirect US rule in the Philippines in 1946 until the demise of the old party in the mid 60's, it has never been allowed to have a voice in government.

The "return to civilian life" instruction by Jesus Lava in 1967 (this euphemism for surrender) was followed by the so called single-file policy. This policy meant each party member operates alone maintaining contact with no more than two other members: one from whom he receives instructions and another to whom he transmits them. This policy, in addition to the arrest of Jesus Lava in May 1964, completed the disintegration of the old CPP as a party.

N E W C. P. P.

Events from 1965 until 1973 will show that the demise of the old party gave rise to three different entities: first, the reestablished or new CPP; second, the Marxist Leninist Group or ML5; and third, the Lavaite remnant group.

After Jesus Lava's capture, forces from the old party sought to rebuild the organization in 1966-67. Among these forces were, on one hand, a circle loyal to the Lava brothers and, on the other hand, fresh blood from the youth section of the old party.

Cadres from the youth section called for a critical review of the party history and a rectification process. For this they initiated democratic discussions on the draft papers prepared for the congress of the party.

But the congress reportedly never took place and even in this limited context, one can say that the old party was not rebuilt. Instead, its forces broke up.

The split was inevitable. The circle loyal to the Lavas, in what has been regarded by many as a neatly woven conspiracy, moved to crush new ideas and forces. According to a reliable source, this circle (members of which are often referred to collectively as Lava's group or Lavaites), abruptly and arbitrarily enlarged the Provisional Central Committee. The hurriedly-enlarged body then expelled committee members coming from the youth section. After the expulsion, the provisional body then cancelled the Party Congress and instead, it reconvened some of the members of the former Central Committee of the old party and coopted new people.

The young cadres, led by Amado Guerrero established anew in December 1968 the Communist Party of the Philippines or new CPP (Partido Komunista ng Pilipinas also in the local language). Three months following the congress of reestablishment, the new CPP formed the New People's Army (NPA). Since then, both the new CPP and the NPA have grown in strength and influence, achieving undisputable pre-eminence in the revolutionary movement in the country.

The Lavaites on the other hand, claimed continuity of the old party with their "reconstituted central committee".

M L G

Until 1972, there were still a number of members of the old party who recognized the leadership of the Lavaites. However when Martial Law was declared, the Lavaites scampered for safety without leaving a trace of their whereabouts. Groups under them then gave full play to their own initiatives.

Emerging from their hibernation after a few months, the Lavaites headed by Merlin Magallona and by Felicisimo Macapagal issued a political transmission entitled "New Situation, New Tasks". The paper hailed the "reforms" pushed by the regime of Marcos as "progressive policies". The Lava circle curtailed the initiative of groups and members under it. Among those in the latter who called for united front with the new CPP, against Marcos, the Lavaites warned them: "we should even help them (i.e. the Marcos government) to annihilate the Maoists."

Angered by the collaborationist stand of the Lavaites, the dissenting cadres and members formally set up the Marxist Leninist Group (MLG) in 1973. They issued a manifesto condemning the actions of the Lavaite circle and expressing their intention to wage armed struggle against the martial law regime.

The Lavaites' counter measure was to lure some of the MLG cadres into dialogue. Those who attended the dialogue were murdered. Some were tortured before finally being killed. At least 17 persons from Metro Manila alone were confirmed to be victims of the carnage.

FORMAL SURRENDER

In August 1974, the Lavaites put into effect their document and negotiated surrender. Stacks of rifles and piles of ammunitions were turned over to the Philippine Constabulary (PC) chief at public rallies. Followers of the Lavaites queued at the PC headquarters to be photographed and fingerprinted like common criminals. The process culminated in a

nationally televised ceremony held at the presidential palace in October 1974 with Felicisimo Macapagal, general secretary of the Lavaite organization and Marcos signing an "Agreement of National Reconciliation".

The part of the Lavaites in the agreement was to explicitly renounce armed struggle and publicly pledge cooperation with the Marcos regime. Marcos on his part promised the legalization as well as accreditation of the Lavaite organization as a party eligible for participation in elections. Explaining their surrender to Communist Parties outside the country, the Lavaites declared in an international journal: "In this period of Martial law the PKP **again** proved its readiness to cooperate with the government on areas which redound to the welfare of the masses ..."

The surrender proved a political suicide. Even before the formal ceremonies, hundreds of members tendered their resignation from the Lavaite organization than face humiliation. In the few years that followed, the Lavaite organization was reduced into a small group -- its membership dwindling to almost the immediate relatives, a few friends and barrio mates of the leaders.

SPARING MARCOS

In 1977, the Lava group issued a 177 page [illegible] titled "Political Resolution [illegible] group". The central message of the document reiterated the 1973 position of the group. It called for active participation in the programs of the Marcos government in order to attain a "truly independent, democratic and progressive Philippine". The martial law regime, the booklet points out, represents the "newer sectors of the national bourgeoisie" which tend to be "anti feudal". Thus, the Lava group see the Marcos government as "progressive". The document states that if the Marcos regime fails "to be consistently on the side of the objective interest of the masses", it is because the people are "weak" i.e. not in the position to apply pressure on the Marcos regime and act in order to protect and advance their own interests. US imperialism was pinpointed in the document as the number one enemy of the people and Marcos was portrayed as "vacillating" between the interest of the Filipino people and those of US imperialism.

The Lava group's position simply could not be credible in public. As one writer puts it, "The two monsters (the Marcos regime and the US) are so tightly linked that if one is spared from attack, both of them can get away." He adds that, in wishing to spare the Marcos dictatorship from the just condemnation of the people, they unwittingly support US imperialism in the process. The Lavaites after issuing the document earned the reputation of being "cheap apologist for Marcos". Not a few dismissed the position as rationalization for collaboration.

Two years later, in 1979, the Lavaites expressed their position on the US bases. At that time, the Marcos government had just finished secret negotiations with the US on the bases. The Lavaites said in a statement that they opposed continued existence of US military bases. However in the same document they called on the Marcos regime to effect "a real take over of Clark Air Base and Subic Naval Base by Marcos armed forces by 1984". Towards this end,

they said the government must encourage an "educational campaign" to be waged by a "broad united front of anti-imperialist forces". Condemning the statement, groups active in the anti-bases campaign replied that Marcos cannot be considered an ally in the anti imperialist struggle.

SINKING SHIP

By 1980, the Lava group had become insignificant, with no semblance at all of being a party. Only then did it consider its close identification with the Marcos clique as a possible liability.

In September 1983, after the assassination of Aquino, the Lava group issued a statement which conceded the "increasing isolation of the regime from the people". But the statement reflected indecisiveness of one contemplating to jump out of a sinking ship. It avoided pinpointing the Marcos regime's responsibility in the assassination. Instead, the Lava group confined itself to merely calling for an investigation. Moreover it proposed a set of measures to be undertaken so that the Marcos government can "regain the people's confidence". Among these was the removal of "all restrictions to accreditation of political parties and provide effective and meaningful participation to all political parties in clean and honest elections". This obviously was a reminder to the Marcos government to honor its part of the "political settlement" attendant to the 1974 surrender.

RECONCILIATION ?

Discarded by Marcos and spurned by all opposition forces in the country, the Lava group seems to be at a loss where to fit. Its only remaining asset is its links outside the country and even this seems to be slipping away.

To preserve these connections, the Lavaites are obliged to pursue a two-fold campaign of discrediting the new CPP while at the same time trying hard to impress their contacts with exaggerated claims of influence.

Jesus Lava has attempted to explain away the rapidly developing strength of the new CPP and the NPA by saying that the CPP has grown because Marcos has stayed too long in power and since "Filipinos are used to periodically changing their governments through elections", the people are forced to support the CPP.

A "spokesman" of the Lavaites, a certain Reynaldo Diael, has a different story. He says that after the arrest or death of original CPP leading cadres, the CPP was forced to form "an alliance with the radical wing of the Catholic Church". This alliance, according to the Lavaites, accounts for the growth of CPP's mass base but at the expense of its leadership being dominated by "priests and nuns". It is well known in the Philippines and to a lesser extent outside the country, that the new CPP's mass base has overwhelmingly been among workers, peasants and students. It is also known that most of its cadres and leaders have been drawn from this base.

There has been many anti-CPP propaganda by the Lavaites that have been disseminated outside the Philippines. Among these however, the most widely circulated is the "proposal for reconciliation" offered by the Lavaites to the CPP. While supposedly extending a hand of friendship, the Lavaites do not cease to project their "regrets" that "dogmatism and anti PKP attitude of the more sectarian, still Maoist CPP members has interfered with the development of broad left unity".

Inside the country, where it is clear to most people that the main issue is fighting against or collaborating with the US-backed Marcos dictatorship and where the record of the Lavaites is well known, the proposal may appear insignificant or senseless. The Lavaites however, hope that this form of discrediting the CPP would work and reap gains for them in the international arena where knowledge of the Philippine political scene is not so widespread.

Lavaites take advantage too of the lack of familiarity on Philippine organizations internationally by projecting an image completely opposite to their actual state of strength and influence. The spokesman of the Lavaites goes so far as to say that their surrender enabled them to increase contact with the masses and that because of this, their group now leads the largest organizations among the peasants, workers, youth, women and the peace movement.

The essence of the Lavaites' message today is revealing of their current position. To Filipinos, they are saying - forget the Lavaite record in the Marcos years and think about the struggle in the post Marcos era. To forces outside the country, they say their group remains the strongest party just like in the days of the old party.

But the Marcos years has not ended and when it does, the memory of these years will remain vivid in the nation's memory for a long time. Also as the Filipino people's struggle intensify and as Marcos rule draws to an end, the Philippines becomes more and more a focus of world attention. Inevitably, the record of the Lavaites will be known outside the country.

In casting their lot with the Marcos regime, the fate that awaits the Lavaites is no different from that which awaits the Marcos regime.

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MINDANAO NDF PROVISIONAL COUNCIL CITES PEOPLE'S STRIKES

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 p 8

[Official international publication of the National Democratic Front of the Philippines]

[Article: "Another People's Strike Paralyzes Mindanao"--"Series of People's Strikes is Prelude to Popular Uprisings--NDF Council"]

[Text]

The people of Mindanao, the second largest island in the country, launched their second Welgang Bayan (Peoples' Strike) last May 3 and 4 paralyzing the economic, political, and social machinery of the Marcos regime in the island for two days. Industrial and transport workers went on general strike, students boycotted their classes, commercial establishment owners closed their offices and shops and tens of thousands of people participated in street barricades as well as demonstrations. Earlier, the NDF provisional council in the island described "people's strikes" as a form of struggle of the people that "is moving in the direction of popular uprisings".

Intensified Struggle

Leaders of various trade unions and multisectoral organizations, in reference to May 3-4 Welgang Bayan, said that the people are intensifying their struggle against the Marcos dictatorship in the face of greater political repression, increased militarization and more economic hardships imposed on them by the Marcos regime. Among the specific issues they cited were the killing of Mindanao opposition leaders and the big number of murder and arrests in the island. "Last year alone," said one leader, "there were 681 politically motivated killings in the island, 1,[illegible] arrests and 94 persons missing with being committed by paramilitary groups". Also cited was the continued and widespread use by the government military of counterinsurgency measures such as Vietnam style hamleting as well as bombings and aerial strafing on civilian population.

In an effort to thwart the Welgang Bayan, heavily armed soldiers patrolled urban centers in the island cities, during and after the two days. In incidents related to the strike, four people were killed, two leaders and 11 other people were arrested. Five people were hurt when a military

exhibition rammed through a 1,000 strong human barricade in Davao City.

Sectoral Participation

As the second Welgang Bayan in the island, (the first one undertaken last November 26 to 30,1984),the role of each sector in the well coordinated action was more manifest. The general strike of industrial workers became the principal moving force, ensuring the strength, depth and intensity of the Welgang Bayan. In cities and towns where there were less industrial workers, the principal moving force were the urban poor and middle sectors. The participation of these sectors was even more pronounced in street barricades and in marches and demonstrations specially in Davao City.

The total boycott in schools plus the participation of peasants gave breadth to the strike. And as owners of commercial establishments closed shops, the paralyzing effect of the Welgang Bayan became complete.

Future Popular Uprisings

In a press kit issued at a much publicized press conference given by the NDM provisional council in Mindanao, last April 9, the NDM described the people's strike as a potent form of open mass struggle that is effective in paralyzing major economic and political institutions of society including commerce, transport, education and even to a certain extent, the state bureaucracy and military apparatus.

The New Mindanao council, summing up the experience of the November Welgang Bayan, pointed out that the people are no longer confined within the parameter of mass protest. "More than just a barometer of the level of political struggle", states the council, "the coordinated people's strike serves as a prelude to the outbreak of future popular uprisings." Before reaching this level, a series of people's strike, gaining breadth and intensity at every occasion is seen as necessary. The waging of urban popular uprising in turn is projected by the NDM to be coordinated with the general advance and intensification of armed struggle in the countryside.

The council further described the people's strike as signalling the entry of the political struggle of the people in Mindanao into a new and decisively higher level. Elaborating on this point, it traced the growth and development of the open political struggles in the island. The points reveiwed were:

* Before 1981,open struggles on economic and political issues specific to the different sectors steadily grew and gradually developed in a broader movement.
* In the middle of 1981, over 150,000 people participated in various rallies and demonstrations calling for the boycott of the fake presidential election and the dismantling of US Marcos dictatorship.

* In 1982 and early 1983, the sectoral movements further developed.
* After the assassination of Aquino in 1983, more than 200,000 people took part in open and militant protest actions, unparalled in magnitude in the entire martial law period and clearly directed against the US backed Marcos dictatorship.
* In the 1984 elections for the National Assembly, the central feature of the boycott movement was the "Lakbayan". Simultaneous long marches ranging from 30 to 150 km.,spanning the entire island were staged. The highly coordinated and disciplined political activity culminated in six major points with the participation of more than 140,000 people. An even greater number lent their support.

The November 1984 Welgang Bayan was followed by a similar strike in Bataan province in Central Luzon in December 1984. Another Welgang Bayan is scheduled in Bataan this month to protest the impending operation of the Bataan Nuclear Power Plant.

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LIBERATION REPORTS PROTESTS OVER INDONESIAN EXECUTION

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 p 8

[Official international publication of the National Democratic Front of the Philippines]

[Special article contributed by Magusig O. Bungai: "Indonesian Labor Leader Secretly Executed, Lives of Others Threatened"]

[Text]

May 14 this year, Mohammad Munir, general secretary of SOBSI, the largest Indonesian trade union before the coup of 1965, was executed secretly by the government of General Suharto. Confirmation had come from foreign diplomats in Jakarta.

Mohammad Munir (59) went underground after the coup of Gen. Suharto in 1966. He was arrested in 1968 and was condemned to death in 1973. For 17 years he had been imprisoned in Cipinang prison in the suburb of Jakarta.

Rumors spread in 1982 that Munir was to be executed immediately. Due to international pressure, the government of Suharto had to postpone this decision. It later promised to the French and Dutch governments that the death sentence would not be carried out.

At present, there are still over 20 leaders from political and mass organizations who have been given the death sentence and kept in various prisons in Java. According to KOMPAS, a Catholic newspaper in Jakarta, four of them: Ruslan Widjayasastra, Djoko Untang, Gatot Sutaryo, and Rustomu, could be executed any time.

Humanitarian organizations, trade unions, political parties and the governments of England, West Germany, France, Netherlands and Australia have registered their protests to the Indonesian government over Munir's execution. They have also asked that lives of the four mentioned above be spared. The case have also been brought up in the European Parliament as well as in Australian and West Germany parliaments. According to The Age of Australia, the

Australian Ambassador to Jakarta, Mr. Morrison, has officially asked the Indonesian government to spare the lives of the four leaders as well as the lives of all condemned to death.

Before the international protest, The Age of Australia reported that Indonesian foreign minister, Mr. Mochtar Kusumaatmadja has said that he would do his best to spare the lives of three trade-union leaders. But why only three ? It raises the possibility that the Suharto regime has already secretly executed Mr. Ruslan Widjayasastra, considered the most politically dangerous figure of the four on the death list.

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NDF CONGRATULATORY MESSAGE TO PASOK ON GREEK ELECTION

(Clandestine) LIBERATION in English Vol 1 No 2 May-Jun 85 p 8

[Official international publication of the National Democratic Front of the Philippines]

[Text]

[The Panhellenic Socialist Movement or PASOK won a solid victory in Greek elections last June 2. PASOK secured over 45% of the vote and 161 seats in Greece's 300 member, single chamber parliament.]

The National Democratic Front (NDF) of the Philippines and the revolutionary Filipino people extend warmest congratulations to the PASOK leadership and its state membership for your great and decisive victory in the elections. We join you and your many friends around the world in cheering to and celebrating your victory. MABUHAY ANG PASOK ! LONG LIVE PASOK!

We wish you much success in your determined efforts to protect your national sovereignty, achieve your social programs, attain a nuclear free Balkan region and promote world peace.

In warm solidarity, Luis Jalandoni, NDF International Representative

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NDF ORGAN CHARGES CLANDESTINE U.S. TROOP BUILDUP

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 pp 1, 2

[Official international publication of the National Democratic Front of the Philippines]

[Article: "U.S. Deploys Secret Troops; Tightens Hold in AFP"]

[Text]

The deployment of secret American commando units trained for direct military intervention, increase of American military advisers in the country, increase of US military aid as well as a US-instigated "house cleaning" of the Philippine military were among the recent moves by the US in the Philippines.

The moves represent the more direct hand that the US has taken to defend its imperialist rule in the country. Failure of the Marcos government to stop the rapid advance of the revolutionary forces has prompted the new US thrust.

Reacting to media exposé, the US embassy in Manila issued a statement last June 12 confirming the deployment of the elite Special Warfare Unit 1 and the Special Operations Squadron of the US to Subic Naval Base and Clark Air Base respectively. These units, also called "Special Operations Forces" (SOF), are similar to the Task Force 160 and Delta Force which were part of American troops that invaded Grenada in the Caribbean in October 1983. Backed by a number of special aircrafts called MC-130E, SOFs specialize in covert action, clandestine and unconventional warfare and anti-guerilla and psychological warfare operations.

The embassy statement claimed that the SOFs are in the country for training. However, the fact that special warfare facilities have been built in Clark and Subic for use by the SOFs and the presence already of over 20,000 US troops stationed at the two bases have led most observers to conclude that the SOFs are in the country for current or future use in combat against guerillas of the New People's Army (NPA).

Anti-imperialist opposition groups both in the Philippines and the US have assailed the deployment of the SOFs as part of the escalating US military intervention. A Washington-based group has warned that the US is applying in the Philippines the same tactics it is using in El Salvador. Escalation of US military intervention is done through gradual, step-by-step introduction of measures. "Each of these measures are substantial enough to effect greater intervention but not big enough to cause

an uproar in American and world opinion," said a member of the group.

Apart from the SOFs, US military advisers have been arriving in the Philippines in increasing numbers. The US embassy at first tried to deny this but the foreign minister of the Marcos regime confirmed it. Even so, the embassy tried to minimize the matter, saying the "advisers" will give instruction on new weapons given to the Marcos regime and not provide "combat support". However, NPA units in Mindanao, Cordillera and the Bicol area have reported sighting US military advisers directing troops of the Armed Forces of the Philippines (AFP) in "counter-insurgency" field operations.

As more American troops and military personnel are sent to the Philippines, the US is tightening its hold over the AFP and is currently upgrading the latter's capacity as a force of counter revolution. The Reagan administration hopes that through massive aid to the Marcos regime, combined with closer US supervision and control over the AFP, it can still effect a quick and decisive victory over the NPA.

Reinforcing the AFP, side by side with a degree of intervention is seen by the US as a sort of remedy, less costly than full-scale intervention to achieve its goal of saving its semi-colonial and semi-feudal set-up in the country.

Last July 26, it was announced that both houses of the US Congress have agreed on a $180 million package of military and economic aid to the Marcos regime for the year 1986. To overwhelm some congressmen opposed to military aid in the US House of Representatives, the Reagan administration lobbied hard. Marcos, on his part, made a lot of noise about abrogating the US-Philippines Military Bases Agreement if Reagan's proposed aid budget is rejected by the US Congress. The approval fulfills Reagan's pledge that more war materials will be sent to enable Marcos' troops to "shoot, move and communicate."

With full US assistance, the Marcos regime now plans to activate 25 more combat battalions in addition to the current 75 combat battalions of the AFP. Paramilitary forces will be increased from 300,000 to 400,000. In a related development, the Marcos regime recently issued a decree called National Service Law. The new law requires compulsory military service and the teaching of Marcos' "Filipino Ideology" to all Filipinos 10 years old and above.

Meanwhile, **Business Day**, a local paper, reported last February that the AFP has launched a new counter-insurgency program called "Integrated Security Plan". Other sources have reported massive AFP military operations in the Mindanao, Cordillera and Bicol regions.

Widespread aerial bombings have been confirmed to be part of these operations. A human rights fact-finding mission to the Cordillera region has documented civilian accounts of one operation. In one small area alone, comprising three barrio sitios, residents counted 22 bomb craters. In other parts of the country, offices of human rights organizations are continuously receiving fresh reports indicating a fast rising casualty toll on the civilian population.

The US push for intensifying the war has been complemented by "house cleaning" in the AFP. Last March 21, a group in the AFP calling itself "REFORM the AFP Movement" surfaced. (REFORM is the acronym for "Restore Ethics, Fairmindedness, Order, Right

eousness and Morale".) In a series of statements, the group called for "professionalism" and "betterment" of the AFP. Members of the group are officers ranking from colonels down to lieutenants, who are mostly graduates of Class 1971 to Class 1984 of the Philippine Military Academy (PMA) - the premier military school of the country.

Later, through a secret document of the US government that leaked out (**Liberation**, May June) and through other media reports it was revealed that the "REFORM ..." movement was masterminded by the US and initiated with the help of a faction in the ranks of the AFP and the Ministry of National Defense (MND). The move was in line with the US aim of making the AFP more effective in dealing with the revolutionary movement. It also served US attempts to break the control of Marcos crony Gen. Fabian Ver and his faction over the AFP and thus give US imperialism more room for maneuver in connection with the question of the Marcos' clique's holding on to power.

"REFORM..." leader Col. Honrani Figueroa is an MND intelligence officer who has been involved in several crimes. His record includes involvement in the 1968 Jabidah massacre of protesting Moros, massacre of peasants in Samar and assassination of Dr. Hemberto de la Paz in 1982.

US pressure on Marcos to desist from reinstating Gen. Ver and retaining West Point-trained Gen. Fidel Ramos as AFP chief was also part of the "house cleaning". Ver, widely known as the right-hand man of Marcos in plotting the assassination of opposition leader Benigno Aquino is viewed by top US planners as representing "uninspiring leadership" in the AFP and responsible for corruption and mismanagement of resources hampering US counter-insurgency programs. Retired AFP generals have also criticized Ver as a brainless military strategist.

Ramos, chief of the Philippine Constabulary since the declaration of Martial Law in 1972, first gained prominence as an officer in the US war of aggression in Korea (1950s) and Vietnam (1960s). His training and background assures the US greater loyalty. As a key military figure in serving the Marcos dictatorship, Ramos' record on human rights abuses is seen to be no different from Ver. But unlike Ver, Ramos has not been pinpointed as a key figure in the Aquino assassination plot.

US military moves in the Philippines has heightened concern and indignation in many countries. In the US, anti-war organizations are stepping up efforts to block the Reagan administration's policy of aggression which they point out could easily lead to a war similar to that in Vietnam where the American people were drawn into a bloody adventure from which they have not recovered until now. ■

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LIBERATION REPORTS NATIONWIDE STUDENT ACTIONS

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 2

[Official international publication of the National Democratic Front of the Philippines]

[Article: "'July Storm' Marks School Opening"]

[Text]

A series of mass student protest actions dubbed as "Sigwa ng Hulyo" or July Storm marked the opening of the schoolyear in major universities and schools in the Philippines.

Student protest actions were held in the cities of Manila, Baguio, Iloilo, Bacolod, Cebu, Dagupan, and in the urban centers of Mindanao. The protest actions opposed the tuition fee hikes and the dismal problems beetting the Philippine educational system.

The Ministry of Education and Culture (MEC) gave the go-signal to schools to increase tuition fees this year. There are about 3,000 private schools being attended by 85% of the college students and 45% of high school students in the country. At the start of the school year 1986-87, schools started collecting tuition fee increases of 15% to 150% from the previous school fees.

At the same time, students are protesting the repressive policies of the state against the Filipino youth and students. The Marcos government have just beefed-up the much dreaded "secret marshals" or secret police teams and fielded them in school areas in anticipation of student unrest over the recent fee hikes. The "secret marshals" have shoot to kill orders and are very well known for their indiscriminate killing of civilians. Upon the prodding of capitalist school owners, the government also threatened the studentry with a crackdown when Defense Minister Juan Ponce Enrile unilaterally abrogated the 1981 agreement with militant student organizations which recognizes some rights of protesting students. The actions of the government signaled more intense repression on campus protest.

Unity of the entire Filipino youth and active youth participation in the people's struggle to attain national freedom and democracy was the theme of "Sigwa ng Hulyo".

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NDF NEWS AGENCY RUNS STATEMENT ON NPA SABOTAGE

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 3

[Official international publication of the National Democratic Front of the Philippines]

[Article: "NPA Blasts Steel Towers Carrying Electric Lines of Defective Nuke Plant"]

[Text]

More than 30 of the 104 steel towers of the government run National Power Corporation (NPC) in Central Luzon were blasted and toppled by the New People's Army together with the townspeople of Bataan in operations last June 22 and 28 and July 1 and 9. The steel towers carry the electric power transmission lines connecting the Bataan Nuclear Power Plant (BNPP) in Morong town to the power grid in Luzon island.

The actions came on the heels of a successful three-day "Welgang Bayan" (People's Strike) in the province from June 18 to 20 which completely paralyzed eight of the 12 towns in the province and brought transportation and commerce to a standstill. Participated by more than 45,000 people, the strike protested the start-up operations of the $ 2.2 billion US Westinghouse-built Bataan Nuclear Power Plant whose safety is under question and whose 620 megawatt output will mainly be used by two huge US military bases in adjoining provinces (Clark Air Force Base in Pampanga province and Subic Bay Naval Base in Zambales province), and factories owned by multinational corporations in the Bataan Export Processing Zone (BEPZ).

An NDF statement on the blasting of the NPC towers said:

"Sufficient public discussions and protests have already borne out the Marcos regime's greed and incompetence in the construction of a highly dangerous, pollutive and grossly expensive nuclear plant. The US imperialist firm Westinghouse and the NPC share in the responsibility for the indecent haste and unscrupulous tactics to make the project palatable to the public and operationalize the plant at the earliest possible time.

"The National Democratic Front, the revolutionary united front organization of various sectors, forces and organizations in the national democratic movement, fully supports the townspeople of Bataan and local NPA forces in their militant and revolutionary efforts to halt the operation of the nuclear plant. We fully support as well the just moves of other sectors and organizations such

as the recent walkout and consequent boycott by oppositors at hearings of the Philippine Atomic Energy Commission (PAEC).

"The NDF takes this occasion to warn Westinghouse, NPC and PAEC officials concerned not to let their greed, fear of, or loyalty to the Marcos regime overrule their clear duty and responsibility to heed the people's voice and ensure the well-being of the present and future generations. Let it be known that those participating in any favorable decision to operate the nuclear plant are considered to bear personal responsibility for such a decision.

"And to the Marcos regime which has already exacted so much money and blood from the people, the NDF announces its intention to carry on the fight by all available means to stop the nuclear plant's operation."

The NDF statement was released July 15 through **Balita ng Balayang Pilipinas** (BMP - Free Philippines News Service), the official news agency of the NDF.

People's Strike

Hard hit during the three-day Welgang Bayan or "People's Strike" was the BEPZ where only five factories were in partial operation out of a total of 34 foreign-owned firms. Some 85 percent of the BEPZ work force participated in the strike, causing the loss of an estimated 500,000 man-hours during the three-day work stoppage.

Barricades were set up in the towns of Orani, Pilar and Balanga. Drivers of buses and jeepneys cooperated by refusing to ply their routes despite orders from the military. Many joined the barricades. Schools were closed as students and teachers boycotted their classes. Giving a supporting hand to the province-wide strike were delegations from cause-oriented groups and organizations from Manila and neighboring provinces, who went to Bataan on a motorcade.

All throughout, the military harassed the strikers but failed to disperse the barricades and rallies during the three-day protest actions against the start of operations of the $2.2 billion Bataan Nuclear Power Plant. Violence broke out at the barricade in Pilar town on June 19 when a 8 1/2 Chemite tank rammed through the barricade, hurting several strikers.

The tank was immediately surrounded by a human sea of protestors, unable to move, stranded in the barricade area. The military men inside the tank perspired as they heard shouts of anger from the huge throng. They were the ones frightened. In the end, after negotiations, the Bataan provincial military commander, a certain Col. Andaya, made a compromise: he promised not to disperse the barricade again if the encircled tank is set free.

Military men also tried to stop a 56-vehicle anti nuke motorcade coming from the provinces of Pampanga, Tarlac, Nueva Ecija, Zambales, and Metro Manila. The military men, some of whose faces were covered with handkerchiefs, pointed their armalites at the vehicles. Filipino and foreign journalists covering the province-wide strike were also stopped at gun point at military checkpoints.

First-hand accounts of journalists were consistent in portraying a province brought to a virtual standstill by the people's strike ... public transport crippled, students and teachers boycotting their classes, all commercial activities stopped. Even the provincial capitol at Balanga was deserted, government employees did not report for work. The governor of Bataan province could not be contacted for comment by journalists - he was not at his post.

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NDF ARTICLE HITS U.S. AID TO ANTI-SANDINISTAS

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 3

[Official international publication of the National Democratic Front of the Philippines]

[Article: "U.S. Resumes Aid to 'Contras'"]

[Editorial Report] The Jul-Aug 85 issue of LIBERATION runs a brief article sympathetic to the Nicaraguan Government, accompanied by photos of a protest in front of the U.S. Embassy in Managua and Nicaraguan evacuees from the war zone. Also included in the item is a quote from Nicaraguan President Daniel Ortega on fighting to the end against "an eventual U.S. military intervention."

The LIBERATION text states: "The U.S. will pursue its 'not-so-covert' war in Nicaragua, which to date has inflicted more than 8,000 casualties and hundreds of millions of dollars loss to the country's economy. The Reagan administration, saying that the Moscow trip of the Nicaraguan president was a proof of puppetry to the USSR, has secured the green light from the U.S. Congress to resume aid to U.S.-directed 'contras.' While dubbed as 'humanitarian,' the aid is expected, at the very least, to enable 'contra' terrorists to release other money for more arms purchases."

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NDF ORGAN ON U.S. ACTIVITY IN REGION

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 pp 4, 5

[Official international publication of the National Democratic Front of the Philippines]

[News Analysis: "Southeast Asia: U.S.--Main Source of Instability, Danger to Peace"]

[Text]

Remember the "Domino Theory"? It predicted that the victory of the Vietnamese revolution will trigger the fall, in successive order, of the countries in Southeast Asia into the hands of "communists". The theory, a rehash of the worn-out argument that revolution can be exported, was used by US imperialism as one justification for its intervention during the Vietnam war years.

The Indochinese people defeated US imperialism and the world saw that Southeast Asia did not in anyway resemble the domino game. Today, ten years after that war, Washington propagandists have buried the Domino theory. But in its place, the US now tries to portray Southeast Asia as a part of a new game - the seesaw.

In the so-called game of "power balance" between the US and the USSR in the Far East, Southeast Asia is pictured as the current vital point of contention, control of which would serve as the weight that would decisively tilt the seesaw to one side.

Consider a few of the many statements issued by the US military establishment to the international press:

In an interview in Hawaii quoted in the **International Herald Tribune**, Adm. Sylvester R. Foley, commander-in-chief of the US Pacific fleet said that the Russians posed a "threat" not only in the northern Pacific but along the entire Pacific rim and extending into the South Pacific and Indian Ocean. He linked the "threat" to new naval and air bases at Cam Ranh Bay and Danang in Vietnam.

Earlier this year, the US Joint Chiefs of Staff issued a warning to the effect that over the last decade the "unfavorable balance" of forces in the region "continues to deteriorate."

An unnamed US navy officer told the **Far Eastern Economic Review**:"Both sides are now concentrating on control of a closed sea (South China Sea) which commands access to the

oceans that flank it." Following up this statement, Rear Adm. Louis Chatham, commander of the 7th Fleet Battle said to the same magazine, "To move out of Subic (US naval base in the Philippines) would abdicate South China Sea to the Soviets."

In almost all the statements, the most frequently cited case is the situation in the South China Sea where Cam Ranh Bay sits across the waters facing US bases in the Philippines. The US has five military installations, excluding associated sites, in the Philippines, the biggest among which are Subic Naval base and Clark Air base in Central Luzon.

Depicting the situation as a seesaw game, US imperialism has mainly its precarious position in the Philippines in mind. Revolutionary forces in the country are growing rapidly, threatening the entire imperialist rule of the US over the islands including its bases. Like the seesaw, where the absence of one player leads to all the weight going on one side, the explicit message is that without continued US presence, Southeast Asia and possibly the entire Far East will be at the mercy of the Soviet Union.

The "serious and destabilizing consequences of US absence" is not the only "danger" that US propaganda has drummed up. American officials have also tried to conjure up the image that US military forces have already been surpassed by Soviet naval strength. Referring to Russian naval forces in the region, US Ambassador to Japan Mike Mansfield told the press, "They have three times the tonnage of the US 7th Fleet."

A number of the major events in the Far East, such as New Zealand's ban on US nuclear ship visits and developments in Sino-Soviet relations, have been projected along the simplistic framework of a seesaw tilting unfavorably for the US.

But like in the case of the Domino theory, the realities in this part of the globe cannot be reduced to a game of balance between the US and USSR.

The conflict between the two powers is obviously not imaginary. On this point however, there is strong evidence that contrary to what the US shows, it remains the more superior military power in the region. In naval strength for instance, it is deceptive of the US to project itself outnumbered three to one.

In terms of the total number of ships, the ratio can indeed be almost three to one. A Japanese defense analyst however has estimated that only 30% of Soviet ships are operational. The rest are under repair or obsolete. Moreover, the US is ahead of the Soviets in the most important categories. For one, in the key category of aircraft carriers, the US has six compared to two on the Soviet side.

In the South China Sea, US bases in the Philippines are far developed and ideal for military use than their counterpart in Vietnam. Comparing Cam Ranh Bay and Subic, the former reportedly supports 30 ships, 8 reconnaissance aircrafts, 16 bombers and a squadron of fighters. The latter is used for approximately two-thirds of the support functions for the US 7th Fleet. The Fleet has 90 ships, 550 aircrafts and 70,000 troops. Also, unlike the Subic, the base in Cam Ranh Bay cannot be resupplied by land.

Checking Soviet forces and activity in the Far East is not the main objective of US presence in the region particularly Southeast Asia. Rather, contention with the USSR only serves the greater US objective of maintaining imperialist domination in Asia, as well as in preserving the Pacific Ocean as an "American Lake".

History provides ample proof of US intentions. The record of US military installations in the Philippines is an illustrative case.

As early as 1900, the Philippines has been the staging area for US contingents that participated in the suppression of the Boxer Rebellion in China to guarantee an "open door" for US trade. In 1918 to 1920, US troops from the bases intervened in Soviet Siberia. In 1927, US forces were sent to China to protect a Western settlement in Shanghai. In 1950 Clark Air Base dispatched US planes to the Korean War. In 1958, the airbase launched planes which bombed Sumatra during the Indonesian army rebellion as well as to drop supplies to right wing rebels with arms and ammunition. The bases were used also in the same year to deploy US forces in the Quemoy Matsu area of the Taiwan Strait.

During US imperialism's adventure in Indochina, US bases in the Philippines were used as a staging area and an essential logistical hub for US forces. Filled with personnel and cargo, close to 50 huge transports flew out of Clark daily. A good share of the tons and tons of bombs and ammunition used in the war came from the Naval Magazine at Subic. These were regularly delivered by six aircraft attack carriers and other warships.

More recently, both the Subic and Clark have served as logistical center for US air and naval deployments to Diego Garcia, the Persian Gulf Arabian Sea area and East Africa.

Ironically, while US military bases and facilities have figured in many wars of aggression in Asia since the start of the century, these have failed to check Japanese fascist occupation in the Philippines and expansion in Southeast Asia during the second World War.

It is neither defense of the Philippines nor that of the region but for use in US wars of aggression and intervention that has been the record of the bases.

As in the past, current US military presence and projection in Southeast Asia serves no other interest but its own economic and political interests.

Today, US imperialism remains to be one of the biggest, if not the foremost exploiter of the peoples of Asia-Pacific. Through trade, investments and loans, US big business together with Japanese capital plunder the region's natural and human resources.

US trade with Asia and the Pacific is now bigger than its trade with Western Europe. US trade (amounting to more than $174 billion last year) takes advantage of the region's abundant supply of raw materials, cheap labor, and high average growth rate compared to that of Western Europe. US economic planners project an increase of US trade with Asia and the Pacific region from current levels to $5,000 billion in 10 years.

In the six ASEAN countries of the Philippines, Indonesia, Malaysia, Thailand, Singapore and Brunei, the US is still a leading investor, surpassed only by Japan. A major portion too of these countries' foreign debt is with US lending institutions.

Politically, US influence and control in Asia was greatly weakened after its defeat in Indochina. American imperialism desperately seeks to prevent any further decline in its position and hopes to recover its previous sphere of influence.

It is in pursuance of these interests that the US wants not simply continued presence but continued superiority over any power in Asia and the Pacific.

The exploitative and completely self-serving interest of US imperialism underscores the point that it is not here to "defend" the countries and peoples of Southeast Asia.

In a similar way, US imperialism's drive to maintain and widen its lead over the Soviet Union only means that there can never be a "proper and stable balance of power" between the US and USSR in the region. There can only be an escalation of the race. And as more warships move about in Asian waters, tension and danger to the people in the region increases.

The myth of the seesaw lies not only in the distortion of the comparative military strength of the US and USSR in Asia and the Pacific. The more basic deceptive angle of this view is that it presents US conflict with USSR as the main problem of the region. In truth, it is US imperialism's conflict with the peoples of Asia-Pacific that constitutes the main problem of the region.

US imperialism is the number one enemy and the biggest danger to the peoples and countries in Asia as in most parts of the world.

In Southeast Asia, the aspiration to build the region as a zone of peace and neutrality, free from interference of any imperialist power and free of foreign military bases and nuclear weapons is a growing cause.

The factors resulting from imperialist exploitation and oppression, from wars of aggression, from bullying and interference as well as from big power rivalry and tension are the very conditions pushing the peoples and countries in the region to work for such cause.

In the Philippines, the revolutionary forces are striving hard to end US imperialist rule in the country. While carrying on this struggle, Filipino revolutionaries link their efforts to the cause of neutrality and peace in Southeast Asia. The reason for this link is clear: the Filipino people can only harvest the fruits of their struggle and contribute to world progress in a setting of harmony in the region.

In other countries in the region, the struggle for independence and self-determination goes on. The advance in one country inspires the struggles of others.

Time will come when the countries in the region and the entire Southeast Asia cannot anymore be utilized by any imperialist power. The region then will play an important role to world peace. Connecting the Middle East with the Far East, the Indian with the Pacific ocean, the region may perhaps serve as a gate -- a gate of peace. ■

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PHILIPPINES

CORDILLERAS YOUTH MOVEMENT HOLDS CONGRESS

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 5

[Official international publication of the National Democratic Front of the Philippines]

[Article: "Youth Organization of National Minorities Formed"]

[Text] Coming from various parts of the Cordilleras, youth representatives successfully held the first Congress of the Demokratiko a tignay dagiti Agtutubo ti Kordilyera (DATAKO--Democratic Movement of Cordillera Youth) last March 24 to 27. The congress marks the formal establishment of an underground revolutionary youth organization in Northern Luzon.

Established under the umbrella of the Cordillera People's Democratic Front (CPDF), DATAKO delegates layed down and approved its tasks in the revolutionary struggles of national minorities for self-determination and in the overall Philippine revolutionary struggle for national freedom and democracy. They elected DATAKO's council of leaders and ratified its affiliation with the Kabataang Makabayan (KM). Representatives of the Moro Youth League and KM, who were present as guests at the congress, conveyed their respective organizations' felicitations and solidarity.

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LIBERATION ON WOMEN'S COMMITMENT TO REVOLUTIONARY STRUGGLE

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 pp 6, 7

[Official international publication of the National Democratic Front of the Philippines]

[Article: "Makibaka Statement to the Nairobi Conference of NGOs: The Women's Revolutionary Movement Advances in the Philippines"]

[Text]

Nowhere in the Philippines today can the massive participation of women be seen than in the people's revolutionary struggle against the US-Marcos dictatorship.

For over a decade now, filipino women in increasing numbers have openly declared their commitment - to overthrow the US-Marcos dictatorship, to struggle for national independence and democracy, and to fight for their emancipation as women.

In the barrios, hills and mountain regions, women guerilla fighters of the New People's Army, along side their male comrades, engage government troops in town raids, ambuscades, sabotage operations and various other forms of tactical offensives. The increasing participation of women fighters is adding up to the armed strength of the New People's Army. To date the New People's Army is considered "the most dangerous threat" to the regime's close to 20 year rule.

Thousands more of peasant women who belong to various peasant associations form part of a tremendous force that has pushed agrarian reforms in the countryside. Peasant mobilizations against land monopoly and political power of landlords have led to land redistribution, significant reduction in land rent and usurious rates, and the withdrawal of military troops from once peaceful peasant villages.

In the cities and town centers, filipino women are likewise being drawn into the revolution through various mass movements. Women workers have stopped production, not only once or twice but simultaneously or in coordinated fashion, in many big foreign and filipino firms. The women workers will certainly go down in history for defying the strike ban in the regime's fortified export processing zones, and despite threats of arrests and bodily harm.

In similar manner, housewives from "squatter" communities manifest the germ of urban insurrection. Barely armed with sticks and stones, they battle police and demolition teams who would as much as dare tear down their houses.

Such militance rub on women of the intelligentsia. Women teachers launch coordinated mass walkouts in different parts of the country, while women health workers picket government ministries. Women students persist in boycotting classes while increasing participation in mass rallies, demonstrations and people's strikes.

Whether in the open or underground movement, the Filipino women are leaving their mark in every sphere of revolutionary activity.

Such militant zeal and fervor is the Filipino women's answer to the combined evils of US imperialism, feudalism and bureaucrat capitalism that have shaped and fashioned their life conditions. Today, these same evils are forcing millions of Filipino women from all walks of life to awaken to their situation and that of the entire nation.

The Era Of Dictatorship

The number one target on the women's hit list is the US-Marcos dictatorship which is hell-bent on perpetuating the ruling system in the Philippines. This dictatorship has wrought sufferings on the nation never before seen, heard or experienced in the country's history. And specifically on women, this has meant their wholesale degradation. The dictatorship has heightened the bias against women in productive work and in political and social relations. It has displayed an utter disregard for their reproductive rights and welfare. It has intensified bourgeois decadent values while leaving feudal-patriarchal values barely untouched.

When the United Nations declared an entire decade to the upliftment of women, the US-Marcos dictatorship did not only pay lip service to it. Rather, the dictatorship reinforced women's "double oppression" by pushing the entire nation to the limits of poverty, want and backwardness.

A case in point is the women's situation in the labor market. While Filipino women comprise more than half of the 56-million Philippine population, until now they constitute only one-third of the recognized labor force. Even housewives who work for no less than 16 hours renewing and maintaining the country's labor power are not considered part of the productive labor force. And even when employed, women are usually the first ones to be fired or the last ones to be hired.

Various programs and policies of the US-Marcos dictatorship favoring multinationals have only worked against the general and upward employment of the Filipino people, including the women.

Instead of opening full-scale industries for employment, these policies have only stunted the growth of local industries and limited employment to a few multinationals that are often engaged in assembly, repacking or semi-processing activities. In all likelihood, Filipino women who are "lucky" enough to be employed are in cottage or home industries that hire no less than 10 workers on the average.

Even in the Philippine's vast countryside, women constitute only 36% of hired labor involving all phases of farm work. This does not even include female labor that forms the major part of **unpaid** family labor in the countryside. Majority of rural women who are full-time housewives also assist peasants in such activities as food preparation for farm hands and seedbed preparation.

Indeed, the era of dictatorship does not augur well for peasant women.

With the inroads of agribusiness corporations in the rural areas, coupled with the regime's moves to militarize the countryside, women peasants are finding it even harder to have jobs. The introduction of farm machineries and the conversion of fields to commercial crop cultivation now require less female labor.

Worse, the effects of militarization force women to shoulder the sole burden of earning a living or finding a home in the event that men are killed or arrested and their homes burned, demolished or abandoned.

Role In Politics

As in economics, so in politics. With fewer jobs and with their role in the economy generally unrecognized, the women's role in politics is also deemed largely inessential. There is hardly any mention in the Marcos constitution regarding women's rights. There are more legislations in fact that violate the principle of equality and freedom for women or blatantly prejudicial to them.

At times the dictatorship may seem to brag about harnessing women as "partners of men in development." But in truth it only encourages the token participation of women to further reactionary politics. And toward this, the dictator's wife is hailed as model. Moreover, it encourages the proliferation of traditional women's organizations that are usually controlled or dominated by women of the reactionary classes.

On the other hand, the regime is particularly sensitive to the involvement of Filipino women in progressive movements, and specially in the revolution. Its reaction is extremely vicious against women political dissenters, tolerating the use of rape and other sexual abuse on them by military and paramilitary troopers.

Even the historically rooted inequality between men and women in Philippine society has worked to the advantage of the regime. The oppression of women in family and marital relations, for example, has served to put the lid on the growing involvement of quite a number of women in revolutionary politics.

The same sensitivity of the regime, however, cannot be applied to the country's state of health care for mothers, child-care and nursery system. For most women, minimum protection for their reproductive rights is totally wanting, if not lacking. State services are so dismal that women become prone to miscarriages, abortions, stillbirths, maternal and infant deaths. Maternal deaths have already been placed at 7,000 per year and infant deaths from tetanus alone at 3,000. Despite this, the dictatorship had the gall to cut back maternity leave benefits from 14 to six weeks.

But no sign is more glaring than the unprecedented rise of legalized prostitution, including child prostitution, in the wholesale degradation of women.

The regime cannot wash its hands clean. In its haste to earn foreign exchange and ease the unemployment problem, the dictatorship has encouraged prostitution in the guise of mail-order brides, tourism, hospitality girl services, and overseas employment. When the regime fails to give jobs to its citizens, it lures them to seek jobs in the service of foreigners, whether in the country or elsewhere, either through the sale of their labor power or their bodies or both.

Such prostitution has reached untold proportions. A Filipina leaving her country today always runs the risk of being looked down upon, in the international community, as another "prostitute."

The list of women's oppression can go on and on and on.

Oppression Begets Resistance

And precisely because of this oppression, the Filipino women are left with no other choice -- except to fight and overthrow the US Marcos dictatorship. Oppression begets resistance. And once the decision to fight is made, the Filipino women begin to cast away their centuries-old feudal tradition that tie women to the home, and to repudiate their own bourgeois decadent values that regard women as sex objects. In due time, emphasis on domesticity and the dependence of women upon men is supplanted by emphasis on the revolution and the equal participation of men and women in struggle.

Today this fact is underscored by thousands and thousands of women marching the streets, manning picket lines and barricade centers, trekking hills, mountains and valleys in the performance of various types of regular and special tasks in the revolution. Each passing day, the women are proving that they are as capable as the men not only in liberating the Philippines from imperialist and feudal exploitation but in achieving the basic conditions for their liberation from male domination.

If only for these achievements, the revolution can rightfully claim that it is laying the ground for women's emancipation.

In the road to women's liberation, the women's revolutionary movement in the Philippines gives the highest premium on armed struggle to overthrow the US Marcos dictatorship. The repressive machinery of the state can be smashed only by the armed strength of a united people. Likewise the gains of the revolutionary movement, including the gains of the women's movement, can only be preserved or safeguarded by the armed security of the people. Other forms - rallies, demonstrations, people's strikes - albeit secondary, are important components of the people's struggle.

The women's revolutionary movement also believes that the emancipation of women in the Philippines and elsewhere in the world lies beyond the victory of the struggle for national freedom and democracy. It lies beyond the issue of fascist dictatorships. For until the material bases of women's oppression are abolished, women can never be fully liberated.

In this light, women revolutionaries in the Philippines unite with all progressive and revolutionary movements that advance the liberation of women in different parts of the world. High in the lists of Filipino women's agenda in the international arena is the unity of women's organizations and movements against US imperialism. The monstrous domination of this superpower over nations, made possible through the collusion of local ruling classes, must be eliminated if nations are to win their independence and if women are to further their liberation.

Now more than ever, the women revolutionaries in the Philippines join hands with the women of the world in the struggle against US imperialism and all forms of reaction. The struggle for women's liberation must be fought on all fronts, over and beyond this decade.

(**MAKIBAKA** [Makabayang Kilusan ng Bagong Kababaihan] or Patriotic Movement of New Women is a member organization of the National Democratic Front of the Philippines.)

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PHILIPPINES

NDF DELEGATE ATTENDS POLISARIO YOUTH CONGRESS

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 7

[Official international publication of the National Democratic Front of the Philippines]

[Article: "NDF Youth Representative Attends Youth Congress of POLISARIO Front"]

[Text] To further strengthen solidarity links with the youth movements of other countries, a representative of **Kabataang Makabayan** (KM -- Patriotic Youth), youth arm of the National Democratic Front of the Philippines, attended the second congress of **Union de la Juventud de Saquia El Hamra y Rio de Oro** (UJSARIO), youth arm of the POLISARIO Front.

The congress, attended by a thousand delegates of UJSARIO and delegations from 65 organizations in 36 countries, was held from June 28 to 30 in an area near the border of Sahrawi Arab Democratic Republic (S.A.D.R.) and Algeria.

The POLISARIO Front is fighting the US-backed regime in Morocco which has occupied portions of S.A.D.R., formerly a colony of Spain. The congress of UJSARIO was named after Khalil Adda H'mein, in honor of the great martyr of the Sahrawi revolution.

A message of **Kabataang Makabayan** read before the congress by KM representative Elena S. Rivera said: "We salute your courage and determination to fight the reactionary Moroccan regime, which has, through US imperialist backing, remained incalcitrant in its position over the Sahrawi Arab Democratic Republic. We stand in solidarity with you in this struggle. We too are fighting US imperialism which has through the Marcos reactionary regime and the presence of its military bases on Philippine soil, continued to impinge on our sovereign rights. We firmly refuse to allow the Philippines to be used for the aggressive war strategy of the US against the countries and peoples of Southeast Asia, South Asia, the Middle East and Africa.

"The **Kabataang Makabayan**, youth arm and founding member of the National Democratic Front, takes this opportunity to express its solidarity with the Sahrawi youth and the Sahrawi people in their fight for complete independence and sovereignty. We also call on all to forge unity in fighting the common enemy- US imperialism, whose interventionist policies has continued to support reactionary regimes as in Morocco, the Philippines, El Salvador, South Africa and the Zionist regime in Israel." ■

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PHILIPPINES

LIBERATION REVIEWS U.S. 'AGGRESSION,' WARNS OF RECURRENCE

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 pp 8, 9

[Official international publication of the National Democratic Front of the Philippines]

[Article: "Lest We Forget: U.S. Imperialism Killed a Million Filipinos"]

[Editorial Report] In addition to other anti-American content, the Jul-Aug 85 issue of LIBERATION runs an article detailing the atrocities in the U.S. pacification campaign of 1899-1902. The article opens by quoting a letter from an American soldier describing the burning of a hut and the death of its inhabitants. LIBERATION says that many present-day Filipinos are unaware of the "violent episode in our history," because "From the very start U.S. imperialism schemed to cover up or distort the truth."

The article proceeds to describe other U.S. acts of violence in what LIBERATION says "served to spark the flames of people's war."

The National Democratic Front organ concludes: "The armed aggression of U.S. imperialism prevailed not only because of the enemy's barbarity but because of the absence of a scientific guide and the capitulationism and vaccilation of the bourgeois leadership of the people's war. But due to the people's unshakable determination, the struggle was carried on in the armed and unarmed spheres. The present national-democratic revolution is a continuation of those struggles.

The possibility remains that U.S. imperialism may again commit direct aggression against the Philippines, especially so since our revolution is advancing rapidly and especially when this can no longer be withstood by the local puppet state. The objective of such an armed intervention would be to safeguard U.S. semicolonial interests in the country. Part of these are the U.S. military bases which imperialism urgently needs to maintain its hegemony not only in Southeast Asia but as far away as the Middle East.

Today there are some [illegible] American soldiers at Clark Air Base and Subic Naval Base, both in central Luzon, and in other US military installations in various parts of the country. These can easily be augmented should imperialism intervene militarily as it had done in Korea, Indochina, Latin America and the Middle East.

The national-democratic movement is campaigning here and abroad, especially among the American people, to forestall any scheme of US imperialism to launch direct aggression and occupy our motherland once more as it did in the late 19th century and early 20th century.

Even so, should US imperialism launch such aggression, we will confront it with full determination. And in launching a revolutionary war for national liberation, in carrying people's war forward, we will draw inspiration and valuable lessons from our forefathers who valiantly fought Spanish colonialism and US colonialism. ■

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NDF CRITICIZES U.S. 'EXPLOITATIVE' FRIENDSHIP

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 pp 9, 10

[Official international publication of the National Democratic Front of the Philippines]

[July 4 Statement of the National Democratic Front: "With Friends Like the U.S., Who Needs Enemies?"]

[Text] Almost four decades ago today, the United States granted "independence" to a Philippines which was heavily ravaged by war -- a war in which it became embroiled for no better reason than that the country was then, as it is now, the base of US military bases. It was for this pitiful reason that the Philippines was dragged into a conflagration at the cost of hundreds of thousands of lives, billions of pesos in property damage and untold suffering for the Filipino people.

Granted as it was by an alien power, "independence" did not come without a heavy price. Shortly thereafter, the rhetoric was drained of its substance. Taking advantage of the country's devastated condition, the United States rigged up treaties and laws to make our country more beholden to US military, economic and political interests.

The Parity Amendment was passed through the Philippine legislature to open the country wider to foreign domination in the guise of "free trade." The Laurel Langley Agreement was conjured to tie the question of war reparations to certain economic and political concessions, hence distorting the country's economic landscape for generations. The Military Assistance Pact and the Military Bases Agreement were imposed to complete the process of linking the Philippines to US strategic interests in this part of the world. From then on, the Philippines became America's aliant tool in its belligerent campaigns in Korea and Vietnam in the '50s and '60s.

This is the "independence" that the Marcos dictatorship celebrates today. This is the "friendship" that the regime commemorates into an official holiday. An "independence" that is empty, sham and beholden to a foreign power. A "friendship" that is as

meaningless, deceitful and exploitative as the dictator's dealing with his countrymen.

Today, the Filipino people continue to be subjected to the same brand of deception that characterizes US policy in the Philippines. Over the past two years, particularly in recent months, a steady stream of US officialdom, the latest of whom was no less than CIA Director William Casey, has been visibly pressing for the restoration of democratic processes, for the holding of clean elections, for a credible solution to the Aquino assassination case, for an impartial judiciary and the institution of military reforms.

The performance would be convincing until we recall the glee with which the US viewed the Marcos government in its first years of repressive martial rule, the applause with which the US business community greeted the birth of the dictatorship and the all-round support which US imperialism provided, that has kept the floundering Marcos regime afloat to this day.

US calls for a return to democratic processes come at a time when the Marcos dictatorship is teetering on the brink of political and economic collapse. Central to US concerns is the extreme unpopularity of its protégé and a surging revolutionary movement. In the cities and the countryside, the revolutionary forces continue to score even greater successes against the regime and its minions. Within the broad legal opposition, the unprecedented trend seeking the ouster of the dictatorship has clearly overtaken earlier calls for reconciliation. The Marcos clique itself has become riven with internal conflicts, as certain elements within its own bureaucratic and military apparatus press for reform, if not distance themselves altogether from the regime.

Fueling the regime's political isolation is the increasing deterioration of the economy, already driven to near bankruptcy by decades of foreign domination, financial mismanagement and unbridled corruption. In this, the US Marcos dictatorship has had no equal.

Inflation continues to run at the government's own estimate of 40%. Unemployment and underemployment have reached 50%, according to some estimates. High interest rates, coupled with the IMF-imposed policy of import liberalization have brought ruin to medium and small scale businesses, while bringing multinationals a windfall in profits. The prospects for economic recovery continue to be stunted by low, even negative export growth over the first semester of this year, when the regime and its technocrats were all along projecting a 10% growth in exports for 1985.

At the present rate of growth, independent estimates project the GNP to decline from a high of -2.5% to as low as -5.0% for 1985. Given similar trends, 1986 will fare no better. This is already a far cry from the regime's estimates of zero growth for 1985 and a positive growth rate for 1986.

Further heightening the regime's isolation is the torrent of military atrocities and abuses now engulfing the entire country. Far from being isolated occurrences, massacres, salvagings, political assassinations, kidnapings, hamletting, arbitrary arrests and torture have evolved into a systematic and widescale trend of terrorism. No sector of society has been free from this scourge.

The touchstone of this iron-handed policy of repression is Oplan Katatagan. It is patterned after the notorious, US-designed Operation Phoenix program which was utilized during the height of the US interventionist war in Vietnam. The logic and tactics of both counter-insurgency operations are simple: the outright physical elimination of political dissenters, both armed and non-armed, in the all-sweeping name of "national security".

The US, by its continuing and massive military aid to Marcos, sanctions this wholesale and brazen violations of human rights in the Philippines. Under the rightwing administration of Ronald Reagan, high-ranking US government officials have made no bones about the true intentions of US policy in the Philippines. Which is none other than to halt the advancing revolutionary movement, especially the New People's Army, and to preserve at all costs the status quo of US privilege and dominance in the Philippines.

This is where US calls for a return to "democracy" must be situated. This is where grandiose US gestures at applying "strong pressures" on Marcos to institute reforms must be seen.

There is nothing contradictory in these contrasting faces of US policy. Because martial rule served its interests then, the US supported the Marcos clique. Because the Marcos clique, by failing to check the deteriorating political and economic situation has now become a liability to its interests, the US now speaks of "restoring" and "strengthening" democratic institutions.

The thread that runs through these apparent shifts in US policy is the overriding importance the US gives to its vast interests in the Philippines. This means keeping the US military bases on Philippine soil, allowing US business interests to continue plundering the economy in league with a handful of compradors and bureaucrat capitalists, and keeping the Philippines backward and dependent.

In this light, the National Democratic Front of the Philippines denounces the myth, the dangerous fiction, that is Philippine American Friendship Day.

It is the height of hypocrisy to talk of friendship with a foreign power whose policies keep our country in perpetual bondage and oppression, whose aid goes to kill and maim Filipinos. There can never be real friendship between the imperialist master and servant, between the exploiter and exploited, between the rapist and his victim.

Indeed, with friends like the US, who needs enemies?

The NDF holds US imperialism completely responsible for sponsoring, strengthening and perpetuating the Marcos dictatorial regime. But even as we condemn the naked collusion of the US and its puppet Marcos, the NDF upholds the warm and enduring friendship of the Filipino people with all peoples of the world, including the American people. We recognize, in particular, that the American people, as differentiated from the US government, are the true friends of the Filipino people.

We reaffirm that through unbreakable national unity and international solidarity, through unflinching revolutionary struggle, the Filipino people shall in the near future certainly defeat US imperialism and the Marcos dictatorship and attain national liberation and genuine democracy. Only on this basis can the celebration of friendship days with other nations and peoples then attain true meaning.

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PHILIPPINES

NDF-AFFILIATED UNDERGROUND TEACHER'S GROUP CONGRESS

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 10

[Official international publication of the National Democratic Front of the Philippines]

[Article--"Kaguma: Teacher's Association Holds Congress"]

[Text] The teachers' movement made a significant advance last May with the successful convening of the First National Congress of the **Katipunan ng mga Gurong Makabayan (KAGUMA - Patriotic Teacher's Association)**, the underground revolutionary mass organization of the teachers affiliated with the National Democratic Front (NDF).

The congress formally raised the level and scope of **Kaguma** to a full-blown national organization. **Kaguma** has played a big role in advancing the teacher's mass movement in the cities and in building the united front against the US Marcos regime. In the countryside, **Kaguma** has directly contributed to the advancement of the broad anti fascist, anti imperialist, anti feudal movement of the Filipino people whose main form of struggle is the armed struggle.

The congress was undertaken with secrecy in the face of strong government repression. Delegates coming from almost all regions of the country elected members of its national leading organ; approved its constitution; and clarified, agreed upon and ratified the general tasks of the **Kaguma** based mainly on the teacher's situation, the nature and advances of the teacher's movement and its role in the national democratic revolution.

Teachers contitute the majority of 60% of professionals in the country. According to one study, there are 400,000 teachers in 38,000 schools throughout the country. The public school teachers account for 78% of all teachers and also comprises the majority of government employees. The private school teachers, on the other hand, make up majority of teachers in the tertiary schools.

The teachers are among the most exploited and oppressed of professionals. They actually receive less than $30, and in numerous cases, in the countryside, $11-$16 per month. Their take home pay is further depressed by deductions of 20-24% of their salaries, aside from asking them consider the cost of teaching materials. Her sad plight is aggravated by the worsening economic crisis.

As government employees, public school teachers are prohibited from

[illegible] unions or [illegible] strikes. They are also excluded from the decision making committees [illegible] and their work, [illegible] in drawing up curricula. Government [illegible] interfere [illegible] and [illegible] their posting under surveillance.

[illegible] current in their job security [illegible] imperialist attack on "education reform". The [illegible] calls for the dismissal of 14,000 teachers which it says is [illegible] the government could save [illegible] million to use [illegible] the world bank who is funding [illegible].

[illegible] to a very lot considering their significant role as builders of [illegible] wing, the teachers' movement [illegible] launching open political [illegible] in conjunction with economic struggles. Teachers' sectoral demands are currently directed towards the [illegible] strategists.

Within the growing teachers' movement, it is **Kaguna** which combines the [illegible] demands of the teachers with the national-democratic demands of the people, linking their sectoral struggles with the mainstream of the country's democratic revolution. ■

/8309
CSO: 4200/292

NDF ORGAN REPORTS ON INTERNATIONAL SOLIDARITY

(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 10

[Official international publication of the National Democratic Front of the Philippines]

[Article: "September 21 Is 'International Day of Protest'"]

[Text] Solidarity alliances, support groups and organizations of non-Filipinos and Filipinos alike working for the Philippine struggle in the different parts of the world will be observing September 21 this year as "International Day of Protest" and solidarity for the Filipino people.

Thirteen years ago on this date, the Marcos regime, with full backing by the US government, declared martial law in the Philippines. The declaration is now viewed by most Filipinos as the imposition of dictatorship by the Marcos clique and jointly with US imperialism, and a declaration of war on the people. Martial law was formally lifted in 1981 but the dictatorial machinery of repression has remained intact and the war has intensified.

Creative forms of protest will be launched by solidarity movements in Japan, Hongkong, Australia, New Zealand, United States, Canada, the Netherlands, England, West Germany, Italy, Ireland, Sweden, Greece, Spain, Switzerland, Norway, Austria, France and Belgium.

In the Philippines, massive protest actions are expected in all key cities of the country. Well known US political figures, representatives of various foreign organizations and journalists are scheduled to visit the Philippines to join or observe the protest activities.

Mass actions and other protest activities will assail the increasing direct political and military intervention by US imperialism in the country, as well as the rapidly rising toll of militarization and war that has been going on the past thirteen years under the Marcos dictatorship.

An invitation to a "Manifestatie": a leaflet of the Filippijnengroep Nederland, the Philippine support group in Holland. The manifestatie, scheduled for September 21 in Amsterdam, celebrates 10 years of solidarity work of the FGN for the Filipino people.

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CSO: 4200/292

PHILIPPINES

BRIEFS

MARINES HOST VER AT ANNIVERSARY--The Philippine Marines will celebrate its 35th anniversary today with Gen. C. Ver as the guest of honor and speaker. The Philippine Marines was organized in 1950 by late President Ramon Magsaysay, then defense secretary, to help combat the dissidents in the country. It begun with Marine Unit "A" Company, staffed by six officers and 230 enlisted personnel volunteers, at then Philippine Navy operating base in Cavite City as a special unit of the Navy under Lt. Manuel A. Gomez, its first commanding officer. The past Marines commanders are Lt. Manuel A. Gomez, Cdr. Gregorio L. Lim, LCdr. Antonio G. Javier, LCdr. Rodolfo M. Punsalang, LCdr. Rafael R. Redublo, Cdr. Cesar C. Betita, the late Commodore Rudiardo A. Brown and Brig. Gen. Rodolfo M. Punsalang. The ninth and present commandant is Brig. Gen. Artemio A. Tadiar Jr. with Brig. Gen. Jose R. Paez Jr as deputy commandant. [Text] [Manila BULLETIN TODAY in English 6 Nov 85 p 8] /13104

MARINES KILL TWO REBELS--Marine soldiers killed two suspected New People's Army (NPA) rebels and captured six others in an encounter in sitio Tibag, barangay Salian, Abucay last Sunday night, it was learned here yesterday. Major Librado Ladia, commanding officer of the 8th Philippine Marines Battalion stationed in barangay Culis, Hermose, identified the slain rebel suspects as Lando Morales and one "Bitong." Captured were Benigno Rodrigo, Rolando Abaticos, Romulo Lopez, Eduardo Balmares, Alexander Bagay and Fernando Camacho. They were taken to the Task Force Samat in Abucay for interrogation, according to Ladia. [Text] [Manila BULLETIN TODAY in English 6 Nov 85 p 8] /13104

NPA AMBUSHES NAVY TEAM--Heavily armed men believed to be members of the New People's Army (NPA) ambushed a seven-man team of Navy Seabees undertaking civic action project in Alegria, Surigao del Norte, last Monday. A report to Navy chief Rear Admiral Simeon M. Alejandro, said one Navy man was killed and two others were seriously wounded. Their identities were withheld. The Seabees team led by Lt.Cmdr. Felixberto Daiz of the 4th Naval Construction Battalion, fought back and forced the suspects to flee toward a forested area. Capt. Domingo Salipsip, commander of the Naval Construction Brigade or Seabees, said the team was on its way to Surigao City on board a Land Rover when they were fired upon in barangay Pontod, Alegria. Salipsip said a reinforcement team led by Cmdr. Primo dela Cruz, Seabees Task Group commander in the area, was also ambushed at nearby barangay Alipao. No casualty was reported. [Text] [Manila BULLETIN TODAY in English 7 Nov 85 p 10] /13104

CSO: 4200/304

NPA 'PARTISAN UNIT' ESCAPES--A partisan unit of the NPA slipped through a cordon of some 300 military troopers and policemen. Their escape was made possible with the support from the crowd of people who let them pass through and no one informed the enemy. The drivers requested by the partisans willingly helped in their getaway and even gave them some money. [Text] [(Clandestine) LIBERATION in English Vol 1 No 3, Jul-Aug 85 p 10] [Official international publication of the National Democratic Front of the Philippines] /8309

COJUANGCO ACTIVITIES--Coconut industry kingpin, Ambassador Eduardo "Danding" Cojuangco, now also in wheat, flour, sugar, rice and beer is one of the few remaining big spenders in the country. Danding gives away fancy cars to his friends as though he was handing out disposable lighters. From a personal shipment from Japan, he gifted with brand new Toyota Super Saloons his personal physician, Dr Macario Brillantes, his chief aide Narciso "Chit" Pineda and a close friend Chief of Staff on leave General Fabian Ver. The generous Ambassador is also expected to foot the bills for legal fees incurred by the defense panel of General Ver in the Aquino-Galman double murder case still pending before the Sandiganbayan. [Text] [Manila MR.&MS. (SPECIAL EDITION) in English 8-14 Nov 85 p 24] /9317

CRONIES' USSR TIES--In the game of poker, a trio and a pair is a full house and is considered a strong hand. President Marcos, recently declared a war hero by the Soviet Government and the First Lady, a frequent Moscow visitor, are the First Pair. Ambassador Eduardo Cojuangco, first among equals among the cronies, handles the shipping agency, FILSOV, a joint venture with the powerful Soviet maritime group. Ilocos Norte Vice-Governor Roque Ablan Jr, a long-time Marcos confidante is the agent for the Soviet airline AEROFLOT. Minister of Trade and Industry Roberto Ongpin, a member of the Supercabinet and an FM favorite technocrat is in charge of the huge proposed Soviet cement project in Semirara Island. The First Pair and the powerful trio comprise the Russian full house. [Text] [Manila MR.&MS. (SPECIAL EDITION) in English 15-21 Nov 85 p 24] /9317

VER'S USSR CONNECTION--U.S. specialists whose main point of reference in charting foreign policy is the continuing battle for advantage between the two superpowers, the U.S. and the USSR, are primarily responsible for the concerted effort to block the reinstatment of Chief of Staff-on-leave General Fabian Ver. Ver served as FM's pointman in the secret negotiations with the USSR which led to a modus vivendi with the Partido Komunista ng Pilipinas (PKP) and ultimately to the establishment of formal diplomatic ties with the Soviet Union. As a newly appointed Chief of Staff, Ver immediately visited Moscow, a courtesy not accorded Washington. Ver is viewed by Moscow as a good friend and instrumental in keeping the size of its Chancery and the number of Russian diplomats and staff at least at par with the Chinese. [Text] [Manila MR.&MS. (SPECIAL EDITION) in English 15-21 Nov 85 p 24] /9317

CSO: 4200/319

SINGAPORE

INCREASED TRADE TIES WITH CHINA SOUGHT

Kuala Lumpur BUSINESS TIMES in English 5 Nov 85 p 21

[Article by A. Karim Shukor in Singapore: "S'pore Keen to Boost Trade Ties with China"]

[Text]

WITH Singapore facing its worst economic setback in 20 years, government officials and local businessmen are making a beeline to China for short-term economic remedies and to plan profitable long-term business links.

Prime Minister Lee Kuan Yew's recent visit to China is the strongest indication yet that Singapore wishes to aggressively pave an economic bridge to China apart from restructuring its business outlook.

An economist who closely observes relations between Singapore and China, said that businessmen here are, however, sceptical that business with China will boom all of a sudden.

But he said Singaporeans can be hopeful of some business upturn judging by the assurance given by Chinese leaders that it will increase trade with Singapore even though China is developing direct trade with others.

Mr Lee said "we had specific business to do and there will be definite follow-up. What happens in China is going to have an extremely direct impact on our future."

Can the Chinese bureaucracy switch smoothly from rigidities and orderliness of centralised planning to the dynamism and flexibilities of an open market economy? If such problems can be overcome, the China market will provide growth opportunities for decades to come.

China is Singapore's seventh largest trading partner, accounting for S$3.4 billion worth of imports and exports or three per cent of total trade.

Singapore largely plays an entrepot role in its trade with China. Goods from Malaysia and Indonesia bound for China are channelled through Singapore and the island's middlemen distribute China goods to the South-East Asian market.

"There is considerable scope for new extra business with China but do not raise one's expectations too high," said a Trade and Industry Ministry official here.

Diplomats read this statement as a kind of warning to businessmen not to be too hopeful in their search for quick returns on their business deals.

Long before Mr Lee's recent 13-day trip to China, direct investments by Singaporeans were already taking place in hotels, factories, port development and the oil industry in China.

Know how

Singapore's hard-pressed refineries could also get some relief as China has agreed tp send its crude oil in larger quantities and on a regular basis for refining in Singapore. It is likely to use Singapore refineries to process at least three million tonnes of crude a year.

Of late there were several exchange visits between officials of both countries.

A significant boost was the recent hiring by China of Dr Goh Keng Swee, noted as the architect of Singapore's economy as an adviser for China's special economic zones.

Mr Lee's visit has produced some early results with China seeking Singapore's management skills and knowhow to assist its modernisation programme.

Having obviously monitored Singapore's advancement toward higher technology, China in its effort to cut corners in its technological front, landed in Singapore's business courtyard armed with a long visit of trade and industrial joint-venture proposals since the beginning of this year mostly in the fields of medium and high-tech manufacturing activities.

Their open faith in Singapore's ability to transfer new technology, prompted the general opinion that China places higher preference on the similarities of "roots," apart from just ability and technological brains of the West which may be "too hot to handle."

Finance Ministry officials said China had 10 per cent economic growth last year and Singapore would like to share this new prosperity.

Early this year, the Singapore government eased travel restrictions for Singaporean tourists and businessmen going to China. Travel visas are now ready within 24 hours of application.

Singapore Airlines (SIA) now operates twice-weekly flights to Shanghai, Beijing and Canton.

Although businessmen hard up for new deals are eager to cross the China Sea, an official of the American Chamber of Commerce in China advised Singapore entrepreneurs not to rush and expect "colourful" results.

Like the other countries of South-East Asia however, Singapore has to remain "suspicious" of China, largely because it still gives moral support to local insurgents.

The official thinking here is that Singapore could in the near future be China's window to the world market in the field of trade, due to the advantages of sophisticated communications, shipping and centralised location. — Bernama ES

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CSO: 4200/335

THAILAND

FURTHER REPORTING ON USSR TRADE, AMITY CONTROVERSY

Foreign Minister Interviewed

Bangkok SIAM RAT in Thai 6 Nov 85 pp 3, 10

[Interview with Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, at the reception hall of the Ministry of Foreign Affairs on the morning of 1 November]

[Excerpts] SIAM RAT asked to interview Air Chief Marshal Sitthi Sawetsila, the minister of foreign affairs, on the issue of trade with the Soviet Union and other matters. The interview was conducted at the reception hall of the Ministry of Foreign Affairs on Friday morning, 1 November.

[Question] What is your view on the matter of Thai-Soviet relations and the fact that a Soviet delegation came and talked with the president of parliament about establishing a Thai-Soviet Friendship Association?

[Answer] I would like to begin by saying that we do not have any problems as far as relations with the Soviet Union are concerned. The same was true 100 years ago when the Czar was still in power there. The first Thai-Soviet trade agreement was signed just after the Soviet Union became a socialist country.

Trade with the Soviet Union has been intermittent. There has been little trade. During the time of the Kriangsak administration, the Soviet Union said that if we wanted to expand trade, we would have to formulate an economic plan for them so that they would know what goods to trade with us. We told them that we had never done things like that and that we had always formulated our own economic plans.

I visited the Soviet Union during the period that I served as the secretary-general of the National Security Council. They told me that they had established a Thai-Soviet Friendship Association. They asked us to do the same. This was the first time that we had heard about this. Actually, we do not object if the peoples of the two countries want to establish an association. This is not the government's affair. According to Thai law, when an association is established, it must be registered with the Ministry of Interior. We have never opposed this. But when they come and tell us that the Thai government should support this, we have to look at their real intentions.

We have to see what trade is like and how sincere they are. If the Thai people establish such an organization and register it, we won't object.

As for the security issue, it must be noted that we are a state. When they propose something, we have to think about their intentions. We do not object to their establishing this association. We want them to be sincere. This is all right if there is much trade and there are enough people. You can't establish a friendship association with 200-300 Soviets and only 3 or 4 Thai.

[Question] If an association is established, will trade expand? The private sector seems to be very enthusiastic about this, particularly about the sale of textiles. But the Ministry of Foreign Affairs seems to be indifferent.

[Answer] We have to keep politics and economics separate. We must consider what is best for the country. Politically, the policy of the Ministry of Foreign Affairs is to maintain the country's sovereignty and security and defend democracy. We must do everything necessary to ensure the survival of our country. We must also do whatever is necessary to ensure that the people have a good standard of living, that the economy is good and that progress is made. Regardless of whether a country has a liberal, capitalist or socialist system, we want to trade with all countries as long as they do not have any hidden intentions. We support this. The ministry opens markets every day.

I do not object to the Soviet proposal. Anyone can sell textiles. People are free to engage in trade. The Soviets have said that they will transport the goods. Their transport fees may be low. Anyone who wants to trade with them is free to do so. But don't forget that the clothing produced in the Soviet Union is different from that produced here. They have a very short summer. I don't know what their market situation is like. I don't know what their intentions are. But people are free to trade. I want to say that the Ministry of Foreign Affairs has never implemented any protectionist measures. The private sector can trade with all countries irrespective of ideological differences.

Our policy is to engage in trade with all countries regardless of their ideology. This is true even for Vietnam. People say that the Ministry of Foreign Affairs is blocking trade with Vietnam. But we have not forbidden private individuals from trading with Vietnam. The only thing is that the government is not promoting this because of the improper way that Vietnam is acting. If something happens, they make demands. For example, when they seize our soldiers, they deny it and say that someone else is responsible. But if people want to trade, they are free to do so. We have promoted trade with Laos. But trade has remained small. We promote trade with all countries.

If the Soviets are sincere, we can trade with each other. There is one problem today. They ordered 500,000 tons of tapioca and have already purchased 200,000 tons. They claim that there were insects in the tapioca. Mr Narong told me that their minister wanted to come here. I said that that was fine. I helped draft the invitation.

We have many friends. Let's not be emotional. Remember, our textile quota for the European market is very large. I have talked with (Chaennon). They have said that they have not implemented any protectionist measures. Other places have protectionist measures, but we have been able to sell goods. When the Soviet Union took this action, everyone began pressuring the Ministry of Foreign Affairs.

I will tell you the truth about the textile matter. I called in Brown and had the director-general of the Economics Department and Mr Phachon give a warning. This was not a problem before. The Ministry of Foreign Affairs reviewed the matter. I put Minister Chirayu in charge of the negotiations and made him responsible for coordinating things between the private and public sectors. They discussed the Jenkins Bill. I took the initiative. I think that the matter was settled satisfactorily. I told Brown that if no one had asked the Ministry of Foreign Affairs to take the initiative, I could not have done this. This was like meddling in the affairs of other ministries, such as the Ministry of Commerce.

The matter originated with the Textile Products Association. After I asked Brown to come see me that morning, I sent a telex. I told Mr Kuson that I was going to send Mr Danai, Mr Phachon and Mr Asa as my representatives. They took a letter. I wrote a letter to Shultz. I think that this matter will be resolved.

People are free to trade with the Soviet Union. I won't oppose that. But Mr Phachon says that this is a barter system, or exchange of goods and technology.

[Question] The new government in Nigeria has announced a policy of increasing domestic production and reducing imports. Nigeria has been an important market for Thailand, especially for rice. What has the Ministry of Foreign Affairs done to solve this problem.

[Answer] We have been to Nigeria. There are some misunderstandings. It is my understanding that they still need rice and that they still want to purchase rice from Thailand. I meet with our ambassadors every year. I am meeting with our European, Asian and African ambassadors. I have informed them about our policies. Besides Nigeria, were I met with Yuno, there is Senagal. They have purchased 300,000 tons from us. We told Nigeria that we can't sell rice to them if they are just going to stockpile it and sell it to other African countries. We can't do that because costs are too high. Seychelles is interested now. They have never purchased rice or food from Africa. They want to purchase goods from Thailand. But they have told us that communications are difficult. We have sold only small quantities. The deputy minister of foreign affairs will go to the Maldives and Sri Lanka. We are doing many things. The government has done many things. But working with people from the private sector is OK.

We have to coordinate things. Besides coordinating things with the state, businessmen have to coordinate things among themselves. They can't keep cutting prices. Thai merchants like to cut prices, which is bad for us.

The state can initiate things in order to form a bridge and create goodwill. And it can carry on negotiations using political means to help. But things must be monitored to determine what production should be if markets are closed.

[Question] In looking for new markets abroad, how have the ministries of foreign affairs and commerce divided the work?

[Answer] In the past, things have not been synchronized. Sometimes he has gone before me. Take India, for example. I contacted them about the fishing matter. But they have not yet contacted them.

[Question] Have we issued any regulations?

[Answer] There is now good understanding between us. The cabinet has stipulated that the Ministry of Foreign Affairs is to coordinate things. The Ministry of Foreign Affairs will coordinate negotiations. From now on, the units concerned will attend the meetings on trade matters. In short, there hasn't been any real coordination. But the coordination of things this time will be planned. That is, there should be projects so that we know for sure what has to be done. I will invite Minister Suli to participate, too.

[Question] Has the committee been established yet and, if so, when will it begin holding meetings?

[Answer] We have had a committee for a long time. But it does not hold meetings very often. I convened the first meeting, but then nothing more was done. Things were turned over to the under-secretary. When meetings are called, only some of the division chiefs and deputy directors-general attend.

[Question] Today, many ministries are involved in trade matters. Will steps be taken to ensure that joint meetings are held in the future?

[Answer] I don't want to take such a step at the present time. I will do things gradually. I don't want to go too fast. People might accuse us of meddling. But we will be glad to take action. As I said, we have put much effort into this. Today, we are becoming deeply involved in economic matters.

[Question] Do you think that ASEAN places greater emphasis on trade than on political matters?

[Answer] Yes. Take fishing, for example. I would like to sound a warning. At present, Malaysia and Thailand have good relations. Malaysia has said that it has special relations with only two countries, Thailand and Indonesia. They are allies that work with other countries.

We are engaged in joint projects. The important issue with Malaysia is the fishing matter. They claim that Thai fishing boats have entered their waters and destroyed their fishing equipment. We claim that our boats operate in our territorial waters. They have arrested Thai fishermen. Today, fishermen should not pass through their territorial waters to get to other fishing grounds. They should fish elsewhere. They should not fish in their waters. Let us

conclude the negotiations first. After the negotiations, there won't be any problems. It is to the advantage of both sides to be friends and to work together. Letting a minor matter grow into a major issue is bad for both sides. Let's improve things. People should not violate their territorial waters. If people show a little patience, everything will be all right. I hope that both sides will stop and think.

[Question] Has any progress been made in solving the Cambodian problem?

[Answer] Let's see what the results of the 5th are first. But people shouldn't expect too much. The fact is that they have written that Vietnam wants Cambodia to be part of an indivisible socialist entity. They will establish a new communist party in Cambodia. They are in the process of closing the border. They are trying to find a way to eliminate the Cambodian resistance groups, which form the legitimate government of Cambodia. Don't expect them to take a softer line or to make any changes.

What they are doing poses a threat to us. I have told the Soviets that if they have good intentions toward us, their good intentions must apply across the board and not just on trade matters. I have asked them to play a creative role in order to bring about peace and stability.

We don't want a war to break out in this region. They shouldn't send weapons in the guise of economic aid. The tanks and artillery that they have sent have just kept the war raging. And because of this, we have been flooded with refugees. Artillery and tank shells have landed in Thailand and Vietnamese soldiers have crossed into our territory. They admit that.

If the Soviet Union has good intentions like other countries, we will be friends. Our policy is to be friends with all countries. But the Soviet Union must understand that it must show a desire for peace and stability and respect the desires of ASEAN, which wants the ASEAN zone to be a zone of peace, stability and neutrality. The Soviet Union can't come here and help Vietnam and Cambodia invade Thailand. When our delegation from the National Defense College visited the Soviet Union, Mr (Kabitchong) threatened us. I am upset about that.

Everyone is saying that it will be good to be friends with the Soviet Union. But we should not be emotional. We must be careful and ponder things. We must maintain unity. If there is a misunderstanding, people should ask. Let's not attack each other. Those with good intentions will lose heart, too.

[Question] I would like to ask about the White Paper that was submitted to Japan. Has Japan responded to this?

[Answer] They have told us that they sent this to the ministries concerned. Minister Praphat will go. We told them to make preparations. This is a serious matter to us.

[Question] Is there anything else that we will stress with them?

[Answer] The matter of opening markets is the most important issue. They have implemented protectionist measures against us. Japanese markets have a strong foundation. As for investments, they have high-tech. They make loans. But we don't want their loans. We want them to make joint investments.

There are so many issues. I discussed matters before the plans were formulated. I have talked with both Abe and Nakasone. But you have to sympathize with the Japanese government. We get along all right. But the Japanese government doesn't control all the people.

We have to be patient and study matters. We can't pressure them. We can't insult them in the press. There are people to whom we can talk. For example, Abe and I are good friends. We must not do anything to hurt them. We have to solve the problems gradually. They are aware of things now. The Japanese economic structure is very complex. Even the United States is complaining.

I have done many things of which the people are not aware. I have done some things in my capacity as the minister of foreign affairs and others in my capacity as a member of the Social Action Party. For example, last year, I took private businessmen to China. I said that our political situation was good but that trade was poor. Now, things have improved. I made appeals, and now more Thai companies are investing there.

When I asked them, they immediately increased trade. For example, they already produce enough rice, but they still purchased 80,000 tons. I don't know how they can benefit.

During the first 6 months of 1985, we sold 60,000 tons of sugar. And since then we have sold another 50,000 tons. Achan Khukrit got a special price. I asked that they buy 100,000 tons of rice. Achan Khukrit went there to discuss this matter and so did I.

We are trying to open markets in the Middle East, such as in Kuwait. We purchased oil at a low price and saved several hundred million baht. Minister Suli will attend the National Day celebration in Kuwait. He will look into the oil matter, too. Besides this, we are trying to get them to sign a trade agreement. Mr Suli will also visit Oman, Saudi Arabia, Iraq and Iran.

I have visited South Korea. There is great potential there for tapioca. They have reduced the tariff from 20 percent to only 7 percent. And the domestic tax of 10 percent has been reduced. We will be able to export our tapioca. I think that we will be able to export about 600,000 tons. This is one result of our work. They have already purchased 200,000 tons of corn. They will purchase 300,000 tons. We will not have bids tendered for Thailand. We will cut the price ourself. The only thing is that if we join together and have the Corn Merchants Association set quotas, prices will not fall on world markets. But quality must be maintained. The alfatoxin situation is all right now. Besides this, there are several other things that hold great potential for trade with them. They will send a delegation here next month. Many delegations are coming.

The same is true for Japan. We complained to them about the boneless chicken matter. Mr Phichai (the deputy prime minister) talked with them about this. I started this at the very beginning before a committee was established. I went and complained to them. The last time, I went and complained to Nakasone. I told him frankly that they have not opened markets and that this is causing problems for us. He said that he would talk with Reagan. At present, six countries are discussing the issue of protectionism. They will handle matters. Japan may open up more markets. They have promised to reduce [protectionism].

Besides this, our economic structure requires that we keep working. We can't expect immediate results. I think that we can improve things.

There was a meeting between Thailand and the EEC. I visited Italy and France, where I discussed trade matters. We also had a special issue to discuss with the Netherlands. Greece has asked to have trade relations with us.

There are many other things. We are now discussing cooperation with other ministries. Our economic units should formulate a package plan. They should figure out how to open up things and how to engage in trade. They must keep records.

Take weapons, trains and aircraft, for example. We should look at the whole package of each country. We should use this as a bargaining chip. Take tapioca, for example. Today, each person does things a different way. There is no unified policy on direct economic penetration of friendly countries in both the Free World and elsewhere. For example, I went to Hungary. We discussed counter trade. We are studying this.

From now on, economics has to take precedence. We have to solve the immediate problems. Things are difficult now. There is the textile problem, which we are working on. There is also the matter of agricultural products. We have to try to solve these problems. The markets are depressed. For example, much rice is being produced today. Actual sales are 14-15 million tons on world markets. Indonesia is producing large quantities. This is a buyers' market.

Cartoon Spoofs Anti-USSR Trade Bias

Bangkok DAO SIAM in Thai 5 Nov 85 p 5

[Cartoon]

Editorial Urges Expanded Contacts With USSR

Bangkok DAILY NEWS in Thai 29 Oct 85 p 3

[Editorial: "Don't Take a Narrow View of the World"]

[Excerpts] This is the age in which our country is opening the door wider to international relations. In the past, Thai were prevented from having any contact with people and organizations in the communist countries. Previously, the government prevented people from traveling to Iron Curtain countries, certainly to the leading communist country. Besides that, the Anti-Communist

Act prohibited Thai from traveling to Iron Curtain countries. Those who violated this law could be punished.

Finally, Thailand opened the door and is now associating with the communist countries and their satellites. One result of this has been the end of the domestic communist movement. These people have now come forward to participate in national development based on the government's new policy.

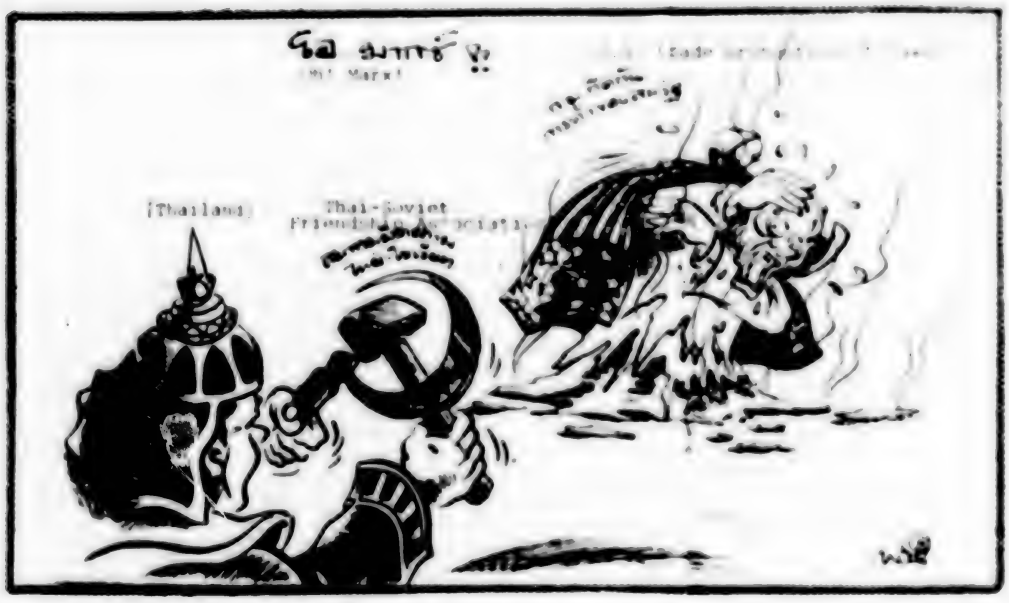
There are now reports that important people from the Soviet Union, including a deputy leader, have visited Thailand and expressed the desire to establish a Thai-Soviet Friendship Association in order to promote friendly relations. They even expressed the desire to establish a chamber of commerce in order to promote trade between Thailand and the Soviet Union. This may enable us to expand our foreign markets and free us from our dependency on certain countries, particularly countries that are oppressing us, such as the United States. Important people here, such as the president of the Senate and the speaker of the House of representatives, support this.

However, our National Security Council opposes this. It says that this is not proper, citing political reasons. We feel that the government should ponder this matter carefully and stipulate a definite policy. It must state clearly whether it intends to expand markets and relations with Eastern countries or whether it intends to close the door again and keep the country from profiting and benefiting from expanded relations.

Cartoon Links USSR Amity to U.S. Protectionism

Bangkok DAO SIAM in Thai 30 Oct 85 p 5

[Cartoon]



Editorial Wants Expanded Socialist-bloc Trade

Bangkok MATICHON in Thai 29 Oct 85 p 4

[Editorial: "Socialist-bloc Markets"]

[Excerpt] The socialist-bloc markets are very large, and they carry on trade using a "barter" system. This could provide us with an efficient means of solving the trade deficit problem. These markets have been ignored for a long time because of political restrictions. Not only has Thailand been tied to the Free World, which is led by the United States, but in recent years it has drawn closer to the People's Republic of China, which has been at odds with the socialist bloc led by the Soviet Union.

However, because of tying our economic policy to our political policy too closely, our trade markets have been unnecessarily restricted and Thailand has lost trade opportunities. For example, instead of trading directly with countries in Indochina, Singapore has acted as the agent or middleman for our merchants. Also, instead of being rewarded for its political and economic loyalty, Thailand faces the trade protectionist measures of an "ailing" great power. The Jenkins Bill is an example of this.

Thus, instead of placing our economic future in the hands of the United States or China, even though we side with these countries on certain political problems, we should be free to make decisions and to choose our own path based on what is best for Thailand and the Thai people. In trade, Thailand should be free to trade with all countries, including those with a different administrative system.

The government should take more interest in the markets in the socialist-bloc countries in both eastern Europe and Indochina. In particular, the three Indochinese countries are very poor and have great economic problems. If Thailand implements a suitable policy, instead of the textile and ready-made clothing problem turning into a crisis, we may be able to sell our goods to these countries. An important point is that these goods are not war materials.

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SOMMAI HUNTRAKUN ON FINANCE POLICY, VALUE OF BAHT

Bangkok DAILY NEWS in Thai 4 Nov 85 p 2

[Excerpt] Mr Sommai Huntrakun, the minister of finance, talked with reporters after presiding at a ceremony to open the northern office of the Industrial Finance Corporation of Thailand in Lampang Province on Sunday, 3 November. He said that at present, the flow of capital out of the country is increasing. This is due in part to the fact that people in the private sector are hurrying to pay their debts because of the decline in the value of the dollar. This has resulted in an increased flow of capital out of the country. He said that he has been monitoring this closely and that there is no cause for alarm. There is no need to take any action on this at the present time. A reporter said that because the dollar has fallen in value, the baht will increase in value and this will make Thai exports more expensive. He asked what measures will be taken to limit the effect of this on exports. Mr Sommai said that it isn't necessary to issue any regulations. Because the baht is tied to a basket of foreign currencies, there is already an apparatus for handling matters. It isn't necessary for the government to intervene in order to weaken the value of the baht. "This outflow of capital is both good and bad. In the short term, we don't see any problem. The amount flowing out is still within acceptable limits. But over the long term, we will have to monitor this closely. We must have some time to look at this and see what must be done," said Mr Sommai. He added that "at present, it's like playing a game. You can't ask me to reveal what our plans are."

Mr Manat Liwiraphan, the director of the Office of Fiscal Policy, told reporters that at present, the main economic problem is not the value of the baht or the exchange rate. Rather, the main problem is exports. The exchange rate and the value of the baht fluctuate based on the currency basket mechanism. Regardless of whether the baht is weak as compared with the yen or strong as compared with the dollar, there is no need to worry. "The main thing today is to step up exports. In particular, the Ministry of Commerce must increase its efficiency and ensure that the export targets are hit."

Prior to this, the Bank of Thailand reported that during the first 9 months of 1985, Thailand had a trade deficit of 53,306 million baht. Based on exports during the final 3 months of the year, it is expected that the trade deficit will rise to approximately 72,400 million baht. This is due in part to the protectionist trade measures implemented by the developed countries, including the United States. Also, prices of agricultural products are still depressed.

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EDITORIAL CITED FINANCE MINISTRY ON LOAN REFINANCING

Bangkok BAN MUANG in Thai 1 Nov 85 p 4

[Editorial: "The New Refinancing System"]

[Text] Mr Trairong Suwannakhiri, the spokesman attached to the Office of the Prime Minister, revealed the results of a conference held by the Council of Economic Ministers. Those attending discussed the government's plan to borrow money abroad. The plan is to set a ceiling on loans of 9 percent of foreign currency revenues from the sale of goods and services. If necessary, this can be increased another 2 percent during the period 1986 through 1988. But from 1989 on, the foreign loan rate must not exceed 9 percent.

The Ministry of Finance said that successive administrations have all borrowed money from abroad and that the debt is now very large. We now have to repay a large amount in interest and principal. The government does not have enough foreign currency to pay the debt. Thus, it will have to borrow more money during these 3 years by raising the debt ceiling from 9 to 11 percent, which is within the limit stipulated.

The Ministry of Finance has proposed a way to reduce foreign borrowing after 1988. We must use a refinancing system. This calls for the Ministry of Finance to take a large long-term loan at a low rate of interest. If this method is used, it is thought that the 1986 foreign loan set for $1 billion can be reduced to only $700 million. And during the period 1987 to 1991, we will borrow only $300 million a year.

The proposal by the Ministry of Finance to use a refinancing system, which is a new type of system for manipulating capital, should benefit the general economy of the country. The Ministry of Finance will have to draft a special regulation to set guarantees. This draft act will be submitted to the cabinet this week for approval and implementation. It is expected that the cabinet will approve this refinancing system proposed by the Ministry of Finance.

There is nothing bad about borrowing money abroad to develop the country. This is something that has to be done for the well-being and economic prosperity of the country and people. At present, the private sector is borrowing large sums from abroad. This is because interest rates are low enough to permit them to

use the loans to support depressed trade activities. Only domestic interest rates are too high to permit money to be invested in business activities. This is why the commercial banks have large sums of money to loan. This is an indication of the lack of growth on the economic and trade fronts.

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CHANGES IN BANKING REGULATIONS DISCUSSED, CRITICIZED

Deputy Premier, Others Debate Issues

Bangkok NAEO NA in Thai 12 Nov 85 pp 1, 16

[Unattributed report: "Banking Regulation Revised, Submitted to Parliament Today"]

[Text] Mr Buntheng Thongsawat, the deputy prime minister and the chairman of the Committee to Discuss the Regulation on Revising the Commercial Banking Act, talked with reporters on 11 November at the Government House. He said that certain sections of this regulation will have to be revised in order to please all sides. If this is completed and all sides are happy, the regulation will be submitted to the cabinet at its meeting on Tuesday, 12 November. There should be results.

Mr Michai Ruchuphan, the minister attached to the Office of the Prime Minister, said that this committee established by the prime minister finished discussing the regulation last Thursday. It will submit this to the cabinet for further consideration this Tuesday.

Mr Michai said that there was much argument at the meeting about the great power of the Ministry of Finance, which is interfering with the commercial banks and other financial institutions. Thus, this and the section on penalties were removed from the regulation because these are already contained in the criminal law. He is confident that this regulation will be approved by the cabinet.

In his capacity as the chairman of the House Economics Subcommittee, Mr Darong Singtothong, a Social Action Party MP from Chonburi, told reporters that Mr Sommai Huntrakun, the minister of finance, has been invited to attend his subcommittee's meeting on 15 November in order to explain various matters, including issuing this banking regulation and borrowing money to pay debts. "The subcommittee is very concerned about the nation's economic problems, particularly the matter of borrowing money abroad in order to pay our debts. There are many loan projects that we do not feel are necessary."

A reporter asked whether Mr Sommai would be questioned about this banking regulation, which was proposed by the Ministry of Finance and news of which

was leaked to the press. The chairman of the Economics Subcommittee said that he may be asked about this. This is a secret matter that should not have been leaked to outsiders. The Ministry of Finance was responsible for keeping this a secret. Leaking secrets like this is damaging to our economic security and to the stability of the government. Those responsible should be ashamed. They should think about their actions.

Regulations, Violations Noted

Bangkok NAEO NA in Thai 7 Nov 85 pp 1, 16

[Excerpt] Mr Michai Ruchuphan, the minister attached to the Office of the Prime Minister, revealed that on 7 November, the work committee to draft a regulation to revise the Law on Commercial Banks and Financial Institutions will hold its first meeting at the Government House. Mr Buntheng Thongsawat, the deputy prime minister, will chair the meeting. At the meeting, the Banking Association, whose membership includes 16 large banks, will submit proposals to the work committee for consideration.

The proposals to be submitted by the Banking Association have already been discussed at a meeting of the Banking Association. Most of the members agree with the proposals in principle. However, there is still disagreement about some of the methods. There is the feeling that there is too much control. Mr Banyong Lamsa, the president of the Thai Banking Association, told NAEO NA that,personally, he agrees in principle because the present situation is different from before. This law needs to be revised and updated.

Mr Banyong discussed the effect that this regulation will have on the commercial banks. He said that this will have a great effect because the business activities of the banks will be closely monitored. Thus, this should be considered very carefully in order to ensure that the banks are treated properly and fairly. Mr Banyong said that preparations for revising this law have been under way for a long time. "I don't know why this has been submitted to the cabinet all of a sudden."

Professor Kroekkiet Phiphattanaseritham, the vice rector for academic affairs at Thammasat University, said that the current banking law has many loopholes. Because of this, the country has experienced financial problems, as happened in 1982 when several finance and securities companies had to cease operations or where placed under the control of the Bank of Thailand.

Another matter concerns the Asia Trust Bank, which has now changed its name to to the Siam Bank. This bank experienced problems before it changed its name and management team. It was found that the old management team had made improper use of deposits. The bank had loaned large sums of money to its own subsidiaries and falsified its financial accounts. These were illegal activities.

The vice rector of Thammasat University, who is a well-known and respected economist, said that looking at Thailand's financial system, it can be seen that the banking system is the heart of the economic system, which is of great importance. As for control of the capital markets and mobilization and lending

of capital, the commercial banks control 70 percent of the country's capital. If we include the finance companies, this figure rises to 80 or 90 percent.

"All of my colleagues support this regulation. We would like to know the government's real intentions because past economic results have been very disappointing. If General Prem succeeds this time, this will be a great achievement," said Professor Kroekkiet.

The vice rector at Thammasat University said that he approves of the government issuing this as a regulation rather than as an act, which would have to be approved by parliament. If it was submitted as an act, some people might try to change the objectives of this law. Submitting this to parliament will show the sincerity of the coalition parties toward the country's financial and economic system.

The revision of the banking law will not affect just the small banks. This will affect all banks in the system. Professor Kroekkiet pointed out that that this will affect those managers who make use of their influence in order to make profits illegally. But it will not have any effect on those who carry on operations legally.

"It's time to take resolute action and supervise things," said the vice rector in conclusion.

The Ministry of Finance announced the penalties levied against the commercial banks, finance and securities companies and credit foncier companies that committed violations in September. There were four commercial banks that committed various violations during September, such as receiving "awal" notes, guaranteeing note discount trading for people in excess of the authorized amounts and extending credit above the limits stipulated. The Fine Committee fined these banks a total of 605,200 baht.

A finance company, a finance and securities company and a credit foncier company were fined a total of 912,800 baht for having violated the Finance, Securities and Credit Foncier Act. These three companies were fined for possessing real property illegally, engaging in unauthorized activities, making loans to company board members or to companies in which board members hold shares without requiring the borrowers to put up collateral, without having the bank guarantee the full amount of the loan or without receiving permission from the Bank of Thailand, allowing the manager or people with power over the affairs of the limited company to serve as members of the board or as deputy or assistant managers of the finance company and so on.

Parliamentarians React

Bangkok SIAM RAT in Thai 7 Nov 85 pp 1, 12

[Unattributed report: "Finance Subcommittee Supports the Banking Regulation"]

[Excerpt] Mr Michai Ruchuphan, the minister attached to the Office of the Prime Minister, was interviewed yesterday evening at the Government House on the matter of the cabinet approving the regulation to revise the Commercial

Banking Act and the Finance Company Act in order to give the Ministry of Finance and the Bank of Thailand the power to supervise the activities of the private commercial banks more closely. He said that the work team established by the cabinet to consider this matter will hold its first meeting at 1500 hours on 7 November. The members of this committee include Mr Palchai Rattakun, the deputy prime minister, who serves as committee chairman, Mr Buntneng Thongsawat, the deputy prime minister, Mr Suthi Singsen, the assistant minister of finance, Mr Samak Sunthonwet, the minister of communications, and Mr Michai. They will meet in the room of Mr Buntneng. But he cannot disclose any of the details.

A reporter asked whether the Social Action Party is opposing this. Mr Michai said that he doesn't know. They will have to meet first. But we have had a law like this before. An example is the law on financial institutions.

The reporter asked about the fact that several MPs have stated that they want this regulation formulated as a royal act so that it can be defeated in parliament. Mr Michai said that he had no comment on that. He said that the details of this were explained at last Tuesday's cabinet meeting. Everyone agreed with this in principle.

When asked what the response of the Thai Banking Association has been, Mr Michai said that if bank managers have questions about this, they can come discuss the matter. The Banking Association has held a meeting. He is waiting to learn the results of that meeting. He has not yet been informed. He expects to be informed tomorrow.

The reporter asked whether the promulgation of this regulation would shake the banking industry. Mr Michai said, "No, it won't. This matter has not yet been discussed carefully. We will have to wait until after tomorrow's meeting."

As for the reaction in parliament, in his capacity as an advisor to the House Finance and Banking Subcommittee, Mr Suchon Champhunot, a Thai Nation Party MP from Phitsanulok, told SIAM RAT that as for the cabinet approving in principle the regulation to revise the Commercial Banking Act and the Finance Company Act in order to give the Ministry of Finance and the Bank of Thailand the power to supervise the activities of the private commercial banks more closely, he supports this action. The government should have done this a long time ago. People have been saying for a long time that Thailand's economy has been controlled by just a handful of wealthy families that have been involved in the country's financial institutions. But the state has not supervised things and has allowed them to carry on activities freely. The country is now experiencing economic problems. The government should take quick action to prevent the crises now facing other countries from arising here. This action should be supported because it will benefit the government and the people and generate greater confidence in the banks.

As for the opposition expressed by certain bankers, Mr Suchon said that that is normal. Things have been very convenient for the private banks. The government has not been strict with the banks. Now that the government is going to place stricter controls on the banks, they are dissatisfied. They feel that the government doesn't trust them. But the government is not

promulgating this regulation in order to prevent them from carrying on proper activities. This will have a good effect and give the people more confidence.

Mr Suchon was asked whether parliament would approve this regulation and pass it into law. He said that "personally, I support this regulation because it will increase control over the banks. This is good for economic security. I think that most MPs will support this."

Editorial Criticizes Finance Ministry

Bangkok SIAM RAT in Thai 7 Nov 85 p 3

[Editorial: "The Banking Regulation"]

[Text] The government, through the Ministry of Finance, has quickly pushed through three laws on commercial banking operations. The minister of finance claims that these laws will improve the deteriorating financial and economic situation of the state and people.

In our view, the fact that the minister of finance has proposed these regulations indicates that the government has managed the country's monetary and economic affairs, particularly banking operations, improperly. Now that the minister of finance realizes that things have been managed improperly, he is trying to excuse himself by quickly proposing regulations to correct the mistakes.

We don't know what effects these regulations will have. But we do know that there is much opposition to these regulations. Most of the opposition is being voiced by MPs who feel that the Ministry of Finance has not done things properly. The ministry issued these regulations during the time that parliament was in recess, and, therefore, MPs have not had a chance to discuss them. And it is the MPs who are responsible for supervising the government's administrative policies.

It's true that the cabinet has the power to draft regulations and put them into effect based on Article 157 of the constitution. But we do not feel that there was sufficient reason to issue these regulations. This was not a matter of national security. The country would not have collapsed if the government had not issued these regulations.

We do not feel that issuing these three regulations will solve the country's economic and financial problems. Besides trying to take advantage of the situation, in taking this action, the minister of finance has insulted parliament and the MPs. He apparently does not attach any importance to the legislature or its members. Parliament should be informed of this, and it should explain things in detail or express an opinion.

Sommai, Bankers Debate Problems

Bangkok BAN MUANG in Thai 9 Nov 85 pp 1, 16

[Unattributed report: "Ministry of Finance Will Not Devalue the Baht, Must Supervise the Banks"]

[Text] The minister of finance has denied rumors that the baht will be devalued. He stated that a regulation to revise the Banking Act must be promulgated as soon as possible.

Mr Sommai Huntrakun, the minister of finance, talked with reporters about the rumors that the baht will be devalued. He was interviewed at the Oriental Hotel on 8 November after he presided at the opening of a seminar on the "Future and Development of Capital Markets in Thailand." He confirmed that the baht will not be devalued. He said that we are now using a currency basket system and, therefore, the value of the baht fluctuates constantly based on fluctuations in the value of these currencies.

As for the value of the dollar on world markets, he said that while he has not followed matters in detail, he does know that the five leading industrial countries are now taking action on the value of the dollar. The government is not worried about this and is monitoring this constantly.

A reporter asked about the necessity of revising the act on financial institutions. The minister of finance said that this is necessary in order to prevent problems from arising in the future. We do not want to wait until a problem has arisen before taking action. As the person behind this, he wants these three regulations to go into effect as soon as possible and so he has submitted them in the form of a draft regulation.

However, others are free to express their ideas. The Ministry of Finance will listen. "I am not a rash or stubborn person," said Mr Sommai in conclusion.

Mr Phaibun Wattansiritham, the assistant manager of the Thai Thanu Bank Ltd, gave his views on the Ministry of Finance proposing three regulations to revise the act on financial institutions. He said that controlling the financial institutions requires the use of tactful and delicate methods, not just laws and powers.

Other countries make much use of such measures because they can do things not covered in the laws. Their financial institutions accept these things. Those who supervise things must be people of great prestige.

The assistant manager of the Thai Thanu Bank said that those who promulgate laws should not be viewed too negatively since most of those who promulgate laws are good people. He sympathizes with the Ministry of Finance's desire to promulgate these as regulations. One of the weaknesses of Thailand's democratic system is that the promulgation of a law is a very slow process. At present, there is a backlog of more than 100 draft laws. It would probably take more than 3 years to get these three draft laws through parliament, and by that time they would already be out of date.

In conclusion, Mr Phaibun said that the Ministry of Finance or the Bank of Thailand should discuss this with commercial bankers. For example, the last time that the Banking Act was revised, meetings were held and people were given a chance to express their ideas and point out the weaknesses.

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CENTRAL BANK OFFICERS ON POLICY MOVES, DEBT PROBLEMS

Governor Suggests Policy Changes

Bangkok NAEO NA in Thai 8 Nov 85 pp 1, 16

[Unattributed report: "Central Bank Admits That There Are Financial Problems, Warns the Government That the Time Has Come to Cut Spending"]

[Excerpt] The governor of the Central Bank has said that the government must use "cautious" financial policies in order to avoid the dangers at a time when the world economic and trade situation is in turmoil. Domestic economic factors must be used to expand the revenue base and strengthen the economic structure.

Mr Kamchon Sathirakun, the governor of the Bank of Thailand, discussed this matter during a seminar on capital markets held at the Oriental Hotel on the 10th anniversary of the founding of the Securities Market of Thailand on 9 November. He discussed the country's financial policies, which are aimed at getting Thailand though this period of worldwide economic turmoil. Thailand's financial position is not very secure because of the balance of trade and balance of payments deficits. He said that we must be careful in using investment policies to stimulate the economy.

Mr Kamchon said that the government should cut expenditures and stimulate those sectors that are not too risky. For example, we should stimulate employment, the use of domestic raw materials, the construction of housing for low- and middle-income people, tourism and exports. At the same time, the government should have a more stimulating and equitable tax policy and provide financial help to the agricultural sector and to small and medium-sized industries.

This will enable us to avoid the risks of large investments at a time when results cannot be guaranteed in the face of today's competition and the world trade situation. Besides this, a cautious policy will help enable us to strengthen our economic structure and expand the country's revenue base.

Bangkok NAEO NA in Thai 8 Nov 85 pp 7, 10

[Unattributed report: "Central Bank Says That Thailand's Financial Situation Is Sound, It Is Not Necessary to Take Special Measures"]

[Excerpt] The Central Bank has stated that Thailand has enough money. Money will be pumped into the system gradually. It isn't necessary to implement any special measures. The government must increase exports. While the rate of economic growth has fallen somewhat, it is still all right.

Mr Kamchon Sathirakun, the governor of the Bank of Thailand, talked with NAEO NA about Thailand's economic growth rate this year. He said that the rate is expected to be about 4.5 percent, which is lower than had been predicted at the beginning of the year. The reason for this is that the world economic situation has affected Thailand.

The reason why Thailand's rate of economic growth seems to be low now is that in the past, our economic growth rate has always been rather high. It has never been below 6-7 percent. But as compared with that of neighboring countries, Thailand's economic growth rate is still quite good.

"You can't look just at the economic growth rate. Domestic economic security must also be considered. The economic gap must be reduced. Exports must be increased, and emphasis must be placed on investments that will benefit the country's economy."

Mr Chawalit Thanachanan, the deputy governor of the Central Bank, told NAEO NA that the 1986 economic situation will probably not be any better than this year's. Things will probably be about the same. The world economic situation is still not good, and this will affect Thailand's economic situation. Everyone must accept the facts and help solve the problems.

There is only one thing to do and that is to give help to the exporters so that they can export greater quantities to world markets. The amount of goods exported must be increased because prices on world markets are not good. There may be much competition because other countries, too, want to increase exports. Thus, the problems and obstacles facing the exporters should be eliminated in order to provide as much stimulation as possible.

The Bank of Thailand will monitor the monetary situation to ensure that things do not become too tight and to ensure that the money supply is adequate. The Bank of Thailand has constantly supported monetary policies that stimulate exports. Thus, there is no need to implement a special policy. "The Central Bank is ready to do everything it can to help exports as long as it is sure that the methods being used to solve the problems are correct."

Because of the present economic situation, the commercial banks will have to be more careful about extending credit. The commercial banks will have to be more careful in order to ensure that they do not suffer losses. This is a correct policy.

Sources Raise Alarm over Debt

Bangkok MATICHON in Thai 7 Nov 85 pp 1, 18

[Excerpt] A news report from the Government House stated that the Council of Economic Ministers is becoming alarmed about Thailand's serious foreign debt problem. There is a difference of opinion among senior officials in the units responsible for solving the economic problems. One group does not think that the people should be informed about the seriousness of this problem because of the alarm that this could cause. Others feel that the people should be informed so that they do not misunderstand and attack the government when the government takes foreign loans to solve the economic problems.

The report stated that ever since 1982, the foreign debt and the balance of trade and balance of payments problems have grown more and more serious. The debt, including both principal and interest, now stands at 28 percent of revenues from exports, including both goods and services. This is a very high percentage. When the Philippines experienced such a serious foreign debt problem that it had to negotiate with its creditors to have payments postponed, the debt stood at approximately 30 percent of the value of exports.

"The cabinet once passed a resolution stating that the foreign debt must not exceed 11 percent of the value of exports. But it is now far above that ceiling. Prior to this, the Central Bank released figures showing that the rate had reached 27 percent. But these figures did not include the money that the Central Bank had borrowed from the IMF. If this was included, the figure would rise to 28 percent," said a news source. He added that studies indicate that the foreign debt will become more and more serious. By 1988, this will pose a serious danger.

The news report stated that before Gen Prem Tinsulanon, the prime minister, left on his most recent trip abroad, he ordered officials to review the various development projects being carried on with foreign loans. Those projects that are really necessary and that have a direct effect on developing the economy and solving the balance of trade and balance of payments problems must be continued. Because of the debt problem, the Ministry of Finance has had to issue a regulation to revise the 1976 Foreign Loan Act in order to repay the original loans that were taken at a higher rate of interest. This regulation will soon be submitted to the cabinet for consideration.

"During the period 1979-80, we borrowed large sums of money at high rates of interest. But now, interest rates are low. Taking new loans to pay off the old ones, or refinancing, is the proper thing to do. However, arguments have arisen between the Ministry of Finance, Central Bank and economic advisors on one hand and the Development Council on the other. The argument is about what projects the new loans should be used for," said the news source.

The news report also said that first group favors investing in projects that will have a real and rapid effect on solving the foreign debt and the balance of trade and balance of payments problems. The Development Council, on the other hand, favors such projects as the eastern seaboard development project,

which requires a very large loan. The Development Council thinks that the export situation will improve in the next 2-3 years, that revenues from exports will increase and that because of this the debt ratio will decline from its present level of 27-28 percent. However, there is still disagreement about what the loan money borrowed in 1986 should be used for. When the Foreign Debt Policy Committee has finished its deliberations, it will submit its recommendations to the cabinet for a final decision.

"At present, there is much criticism of the Development Council. People feel that instead of carrying out its duty of formulating development plans and monitoring government expenditures to see whether the money is being spent according to plan and whether it is having a maximum effect, the Development Council is implementing various projects itself, with the result that personal benefits have become directly involved," said the news source.

The news source said that Gen Prem has become alarmed about the foreign debt problem. He has discussed this with the sectors concerned. The number of F-16 aircraft purchased may be reduced from 12 to only 2 or 3. As of yet, no decision has been reached on this.

A news report from the Ministry of Finance stated that the ministry has prepared a detailed account of foreign loans taken by government units and state enterprises. As of the end of September 1985, the total debt stood at $7,983.924 million. Of this, $2,989.23 million was in direct loans and $4,994.23 million was in government guarantees. Thailand's largest creditor is the World Bank. We have borrowed $2,021.687 million from the World Bank for economic development. This is 25.32 percent of our total debt. We have borrowed $1,727.75 million, or 21.64 percent of the total debt, from various private financial markets. The third major source is Japan's Overseas Fund, or OECF. We have borrowed $1,107.15 million, or 13 percent of the total debt, from this source. The rest has been borrowed from various other sources.

The news report stated that $663.536 million has been earmarked for military items. A total of $4,843 has been borrowed in dollars, $2,284 has been borrowed in yen and $203 has been borrowed in German marks.

"This debt does not include the money borrowed by the private sector. Most of the loans, particularly the loans for war materials, must be repaid within 2 to 3 years. This will make it necessary for the government to have to refinance the loans. It will have to borrow $400 million. The interest rate at that time was 15 percent. Most of the old loans come due this year and next year," said the news report.

The report also said that all the details on the debt situation will be submitted to Gen Prem for his consideration.

Director on Economy Performance

Bangkok MATICHON in Thai 1 Nov 85 pp 1, 16

[Excerpt] On 31 October, Mrs Praphaphim Sakuntaphai, the director of the Office of the Secretary, Bank of Thailand (BoT), said that based on a BoT report on the economic situation during the past 9 months, it appears that prices of agricultural products are still depressed. The government's devaluation of the baht by 17 percent has not had the desired effect. Because of this, foreign currency revenues have declined and this has affected the purchasing power of people in general.

"In particular, the incomes of the rural people have declined. This will affect the expansion of agricultural business activities, construction and investments," said Mrs Praphaphim.

Mrs Praphaphim said that the financial situation is now tighter than it was in the first and second quarters even though the Consumer Price Index has risen 2.1 percent. Deposits have increased 16.7 percent as compared with last year's increase of 23.5 percent. During the third quarter, credits will decline as compared with the same period last year, rising only 12.6 percent as compared with last year's increase of 23.1 percent.

Mrs Praphaphim said that the government will run a deficit of 37,800 million baht this year. In 1984, the deficit was only 8,250 million. The economy has not shown any improvement in 1985 because of the protectionist policies abroad. Exports rose only 11 percent as compared with 19.6 percent in 1984. And this year, imports have risen 9.4 percent as compared with 3.4 percent in 1984. In 1985, the trade deficit will be approximately 72.4 billion baht as compared with a deficit of 68.8 billion in 1984. In 1985, the country's growth rate is 4.5 percent and inflation is 2.7 percent.

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THAILAND

BRIEFS

MINISTER ON AMNESTY PROPOSAL--Mr Michai Ruchuphan, the minister attached to the Office of the Prime Minister, talked with reporters at the Government House on 5 November. Reporters asked about the proposal to grant amnesty to the 9 September rebels. The president of parliament has said that the government proposed this to parliament. The reporter asked what factors the government had considered. Mr Michai said that to his knowledge, no one has discussed this. Mr Michai said that in past cases, amnesty has been granted before the case has reached the court. But in the present case, no one has said anything about granting amnesty. Reporters asked whether granting amnesty must be proposed before a case goes to trial. The minister said that that is not necessary. But he stressed that normally, that is not done. The reporter replied that that was done when amnesty was granted to those involved in the 8 October case. Mr Michai said that amnesty was granted when the case was in the investigation stage. However, amnesty can be granted at any time. Amnesty can be granted even if the case is in court. [Excerpt] [Bangkok BAN MUANG in Thai 6 Nov 85 pp 1, 16] 11943

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PARTY ACTIVITIES AND GOVERNMENT

NEED TO IMPROVE EDUCATION OF POLITICAL THEORIES STRESSED

Hanoi GIAO DUC LY LUAN in Vietnamese Aug 85 pp 1-3

[Article: "Thoroughly Understanding the Resolution of the 8th Plenum of the CPV Central Committee, Strongly Improving Training in Political Theory"]

[Text] The resolution of the 8th Plenum of the CPV Central Committee on prices, wages and money is a great renewal of revolutionary significance not only in terms of the policies dealing with prices, wages and money but also in the fields of distribution and circulation, planning, the economic management mechanism as a whole and the party economic leadership aimed at absolutely abolishing the mechanism of bureaucracy and subsidization and totally switching to economic accounting and socialist business practices.

The Central Committee resolution this time does not solely have economic significance, but it also is greatly meaningful in terms of the awareness and application of the Marxist-Leninist principles to our country's revolutionary realities. It reflects the fact that our party is being aware more and more profoundly, fully and scientifically of the problems of realistic socialism and of problems having to do with the economic laws and socialist economic management.

With this resolution, we will put an end to the period in which we mainly used administrative orders to direct the economy -- which was the characteristic manifestation of the manner of management based on bureaucratic centralism and subsidization -- and switch to a period in which the economy is directed on the basis of correctly applying the objective laws.

In the last few decades, under the special historical conditions of a country where small-scale production was common and the economy developed too slowly and was affected by continuous war, we had to rely for an important part on aid from the fraternal countries and to adopt a management mechanism based on bureaucratic centralism and subsidization that has lasted until today.

This mechanism was somehow necessary under the above-mentioned conditions, but as we entered the new revolutionary stage, it gradually showed many negative aspects. Because of our immature awareness of socialism, our not-very-correct understanding of some Marxist-Leninist principles and the dogmatic application of the fraternal countries' experiences, we turned the mechanism of bureaucracy and subsidization into a habit in our daily life and in socioeconomic management. Since we were conservative, lacked responsiveness and, on the other hand, remained excessively dependent on foreign aid, we have been slow in renewing our economic policy and the economic management mechanism, have kept for too long a time the management mechanism based on bureaucracy and subsidization and have thus made its adverse effects more serious.

There were many reasons behind that shortcoming, including the one that had to do with the ideological work. In the past years, the teaching of political theories succeeded in disseminating the Marxist-Leninist theoretical principles and conveying the party line and views. However, this education stopped at the level of simple awareness and failed to make our cadres fully understand the scientific and revolutionary substance of the Marxist-Leninist theoretical principles. The conveying of the party line and policies succeeded only in making them recognize the contents and meaning of the party line but failed to help them to know how to apply it to the actual situation of different localities and fields of work. Our cadres understood that they must adhere to the proletarian dictatorship, further develop the collective ownership right of the working people and carry on the three revolutions, but they still did not know very well and remained confused about what it meant by adhering to the proletarian dictatorship and how to further develop the collective ownership right and to actually carry on the three revolutions in different localities.

Since we failed to equip our cadres with scientific methodology, in the socioeconomic management we made the mistake of being subjective and voluntaristic and disregarding the objective laws. To determine prices was not based on value, nor were prices to compensate for labor expenses, not even to ensure simple reproduction; as for distribution among the working people, subsidization was so widespread, with the rule of distributing on the basis of labor being violated; the law of value was underestimated; the concept of socialism was simple and superficial; in the socialist reforms among small producers, beside the tendency to be undecided and reluctant, many localities expressed the attitude of being subjective and impatient as they wanted to bring them right away into cooperative work, to a high level and a large scale, as well as into state-operated installations; to believe that the socialist system meant to subsidize everybody in every way, that socialism meant prices had to drop everyday, without considering how much production might develop and change, and so on. There also were wrong, untrue notions in the concepts of proletarian dictatorship, collectivized farmer class, family-based economy, and so on.

The CPV Central Committee Secretariat directive on disseminating and propagandizing the resolution of the 8th Plenum of the Central Committee states that we must build our cadres' economic and scientific thinking to allow them to thoroughly understand and implement the Central Committee resolution. This means that we must build for cadres and party members a scientific and revolutionary methodology so as to boost their awareness of economic theoretical matters and economic activities. For, in order to have the new mechanism, all cadres, first of all the leading cadres and economic management cadres, are required to renew their awareness and to renew their mode of thinking. Cadres and party members in general, and mostly the cadres in the economic sector and those doing work related to the economy, must be equipped with correct concepts of the Marxist-Leninist principles, particularly the politico-economic principles; thoroughly understand the most progressive ideas; adhere to economic laws and their being applied to realities; and master the system of modern management measures and methods, which serves as the basis for correctly evaluating the situation, making timely optimal decisions and building proper conduct in industry and working with discipline, a high sense of responsibility and a spirit of being active and creative.

The Secretariat directive suggests that in order to fulfill the above task, we "organize a study to thoroughly understand the resolution among lecturers in party schools, economic management schools and colleges and among research cadres in economic research institutes, so as to allow these schools and institutes to revise in time their teaching programs, materials, etc. to suit the new economic mechanism and to have plans for providing economic management cadres at all levels with advanced training."

In his speech at the Central Committee plenum, Truong Chinh also pointed out that "one of the first things to be done in connection with cadres' work is to organize the training of cadres in the spirit and substance of the new mechanism. We must retrain our trainers. We must compile anew the teaching programs of party schools, professional economic schools, departments of economics of colleges, advanced schools and technical schools. We must reinforce the research projects of the Marx Lenin Institute, the Social Science Commission and other research organs and build new teaching programs based on the new views and in conformity with the basic Marxist-Leninist principles, the line, positions and policies of the party and the realities of our country."

And so the task set for the teaching of political theories is very great.

On the basis of improving the teaching of political theories in accordance with Resolutions Nos 15 and 30 of the CPV Central Committee Secretariat, we must apply the ideas and views contained in the resolution of the 8th Plenum of the CPV Central Committee and review, revise and perfect the programs of studies of the party schools and for on-the-job training in political theories.

In the spirit of Resolution 8, we must review the views and theories in every subject of study and eliminate any immature, distorted and incomplete concepts of socialism and socialist economic laws. First of all, in economics and economic management, we must review every concept, category, principle and law, such as Marx's theories on value and goods-money relationship, and the law of value in socialism and the socialist ownership theory being linked with them; and, in connection with the laws of economics, planned development and labor-based distribution, such matters as productivity, quality and effectiveness, in-breadth development, in-depth economic development, and so on. We may say that there must be correct and more complete new concepts of a series of ideas, categories, principles and politico-economic laws about socialism.

In the field of economic management, there also must be reviews and new concepts of a series of matters: the principles of economic management based on our party's views; the principle of democratic centralism in economic management; the extending of the right to be self-supporting in financial matters, to be self-sufficient in production and business to all basic-level units; the socialist economic accounting and planning mechanism; the principles and policies about prices, wages, finance, banking, switching from the system of supplying materials and delivering products to the system of buying materials and selling products, putting all expenses into production cost, being responsible for losses and profits, and so on.

And then there must be renewal of the party leadership over economic matters.

On the basis of such reviews and new concepts we must improve, revise and perfect the textbooks and teaching programs dealing with political theories. And with such new materials we must "retrain our trainers" and open advanced training courses for lecturers and seminars.

The resolution of the 8th Plenum of the CPV Central Committee represents a strong and profound change of direction in our party's economic leadership, "a great change of revolutionary significance" that will affect all aspects of our social life.

Thoroughly understanding the Central Committee resolution, our party schools and schools and classes that teach theories must actively renew their elementary and advanced training in the above-mentioned direction. On the basis of this renewal we will surely achieve a great change in the ideological concepts and economic thinking of a majority of cadres and party members at all levels and help to speed up the renewal of our country's economic management mechanism and to further overcome our being subjective and voluntaristic in economic matters and economic management.

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